




14 July 2021
Edmond Edwards
Executive Director
Athena Resources Limited

Athena Resources Limited

(ACN 113 758 900)

Prospectus

This Prospectus contains an offer for a non-renounceable entitlement issue of one (1) Share for every one (1) Share held by those Shareholders registered at the Record Date at an issue price of \$0.008 per Share to raise up to \$2,888,270 (**Rights Issue Offer** or the **Offer**).

The Prospectus is also issued for the purpose of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares previously issued by the Company (refer to Section 5.5).

Underwriter

CPS Capital Group Pty Ltd (ACN 088 055 636) (**CPS Capital**) (AFSL 294848) has been engaged to fully underwrite the Offer. Refer to Section 5.4.2 for details regarding the terms of the underwriting.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the Shares being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

The Shares offered by this Prospectus should be considered as highly speculative.

Important Notice

This Prospectus is dated 14 July 2021 and was lodged with the ASIC on that date. The ASIC, the ASX and their officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that you read this Prospectus in its entirety and seek professional advice where necessary. The Securities the subject of this Prospectus should be considered as highly speculative.

No offering where offering would be illegal

The distribution of this Prospectus in jurisdictions outside Australia or New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia or New Zealand should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. It is important that investors read this Prospectus in its entirety and seek professional advice where necessary.

No action has been taken to register or qualify the Shares or the Offer, or to otherwise permit a public offering of the Shares in any jurisdiction outside Australia or New Zealand. This Prospectus has been prepared for publication in Australia and New Zealand and may not be released or distributed in the United States of America.

Information for New Zealand Residents

The Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the *Financial Markets Conduct Act 2013* and Part 9 of the *Financial Markets Conduct Regulations 2014*.

The Offer and the content of this Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act and the regulations made under that Act set out how the Offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to the Offer. If you need to make a complaint about the Offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products. If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.athenaresources.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian or New Zealand resident and must only access this Prospectus from within Australia or New Zealand.

The Corporations Act prohibits any person passing onto another person an Entitlement and Acceptance Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy or a further electronic copy of this Prospectus free of charge by contacting the Company by phone on +61 8 9307 7902 during office hours or by emailing the Company at ahn@athenaresources.com.au.

The Company reserves the right not to accept an Entitlement and Acceptance Form from a person if it has reason to believe that when that person was given access to the electronic Entitlement and Acceptance Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Company Website

No document or other information available on the Company's website is incorporated into this Prospectus by reference.

No cooling-off rights

Cooling-off rights do not apply to an investment in Shares issued under the Prospectus. This means that, in most circumstances, you cannot withdraw your application once it has been accepted.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Shares under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Risks

You should read this document in its entirety and, if in any doubt, consult your professional advisers before deciding whether to apply for any Shares. There are risks associated with an investment in the Company. The Shares offered under this Prospectus carry no guarantee with respect to return on capital investment, payment of dividends or the future value of the Shares. Refer to Section D of the Investment Overview as well as Section 8 for details relating to some of the key risk factors that should be considered by prospective investors. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

Forward-looking statements

This Prospectus contains forward- looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 8.

Financial Forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Competent Persons statement

The information in the Investment Overview Section of the Prospectus included at Section 4, the Company and Projects Overview, included at Section 6, and the Independent Geologist Report, included at Annexure A of the Prospectus, which relate to exploration results and exploration targets is based on information compiled by Dr Dennis Gee, a Competent Person who is a member of the Australian Institute of Geoscientists. Dr Dennis Gee is employed by Geomin Services Pty Ltd (ACN 623 624 251) (**Geomin**). Dr Dennis Gee, Geomin and its employees are not, nor intend to be, Directors, officers or other direct employees of the Company. Dr Dennis Gee has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore

Reserves' (the **JORC Code**). Dr Dennis Gee consents to the inclusion of the information in these Sections of the Prospectus in the form and context in which it appears.

Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Securities.

Price sensitive information is publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants is also managed through disclosure to the ASX. In addition, the Company posts this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES are issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 13.

All references to time in this Prospectus are references to Australian WST.

Privacy statement

If you complete an Entitlement and Acceptance Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your Securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your application.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offer or how to accept the Offer please call the Company on +61 8 9307 7902.

Corporate Directory

Current Directors

Hau Wan Wai (Executive Director)
Edmond Edwards (Executive Director)
Frank Knezovic (Non-Executive Director)
David Wheeler (Non-Executive Director)

Company Secretary

Peter Newcomb

Current ASX Code

AHN

Company's Registered Office

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

Telephone: +61 8 9307 7902
Fax: +61 8 9307 7902
Email: ahn@athenaresources.com.au
Website: <https://athenaresources.com.au>

Auditor

HLB Mann Judd (WA Partnership)
(ABN 22 193 232 714)
Level 4, 130 Stirling Street
Perth WA 6000

Investigating Accountant

HLB Mann Judd (WA Partnership)
(ABN 22 193 232 714)
Level 4, 130 Stirling Street
Perth WA 6000

Independent Geologist

Geomin Services Pty Ltd
(ACN 623 624 251)
8 Katharine Place
Helena Valley WA 6056

Mining Solicitor

House Legal Pty Ltd
86 First Avenue
Mount Lawley WA 6050

Underwriter

CPS Capital Group Pty Ltd
(ACN 088 055 636) AFSL 294848
Level 45, 108 St Georges Terrace
Perth WA 6000

Share Registry¹

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
Perth, WA, 6000

Telephone: 1300 850 505

Legal advisers

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

Notes:

1. This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.

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Board's Letter

Dear Shareholder,

On behalf of Athena Resources Limited (**Athena**), I am pleased to invite you to participate in a 1 for 1 non-renounceable pro-rata entitlement offer of Athena shares (**New Shares**) at an issue price of \$0.008 for each New Share (**Rights Issue Offer**).

Over the last year, the Company has struggled to obtain the necessary funding which was partially due to Covid-19 lock downs. In order to recapitalise and strengthen its balance sheet, the Company secured a mandate with CPS Capital Group Pty Ltd (ACN 088 055 636) to undertake the following capital raisings:

- (a) \$304,000 (before costs) through a placement of 38,000,000 fully paid ordinary shares at an issue price of \$0.008 per Share (**Placement**). The Placement was completed on 25 June 2021; and
- (b) \$2,888,270 through a proposed fully underwritten 1:1 rights issue to existing Shareholders to issue 361,033,779 Shares at an issue price of \$0.008 per Share.

This Prospectus sets out the offer with respect to the Rights Issue. The Rights Issue Offer is fully underwritten by CPS Capital.

The funds raised from the Placement and Rights Issue Offer will allow the Company to progress its exploration program (as detailed further in Annexure A), in particular in the immediate term, exploring the layered intrusion systems demonstrating prospective Cu/Ni/Cr/MgO geochemistry conducive for development of metal sulphides, and will also assist the Company to strengthen its balance sheet so that its financial condition is sufficient to allow the Company's Shares to be reinstated to trading on the ASX.

This Prospectus contains detailed information about the Company, its business and the Rights Issue Offer, as well as the risks of investing in the Company, and I encourage you to read it carefully. The Prospectus has also been issued to remove the need for an additional disclosure document to be issued upon the sale of any Shares that are to be issued under the Rights Issue Offer and the sale of additional Shares issued by the Company.

The Shares offered by this Prospectus should be considered highly speculative.

Before you make your investment decision, I urge you to read this Prospectus in its entirety and seek professional advice if required.

We look forward to you joining us in the success of the Company throughout 2021 and beyond.

Yours sincerely



Edmond Edwards
Executive Director
Athena Resources Limited

1. Proposed Timetable

Event	Business day	Date
Announcement of Entitlement Offer and lodgment of Appendix 3B	Day 0	15 July 2021
Lodgement of Prospectus with ASIC and ASX	Day 0	15 July 2021
Ex Date	Day 3	20 July 2021
Record Date	Day 4	21 July 2021
Company sends offer documents and personalised entitlement and acceptance forms to persons entitled and announces that this has occurred. Last day for offer to open.	Day 6	23 July 2021
General Meeting		30 July 2021
Last day to extend the offer closing date.	Day 11	30 July 2021
Closing date	Day 14	4 August 2021
Securities quoted on a deferred settlement basis	Day 15	5 August 2021
Announcement of results of Offer	Day 17	9 August 2021
Last day for the Company to issue the Securities under the Offer and lodge an Appendix 2A	Day 18	10 August 2021

1. The above dates are indicative only and may change without notice. Unless otherwise indicated, all time given are WST. The Company reserves the right to extend the Closing Date (in accordance with the ASX Listing Rules) or close the Offer early without prior notice. The Company also reserves the right not to proceed with the Offer at any time before the issue of Shares to applicants.
2. If the Offer is cancelled or withdrawn before completion of the Offer, then all application monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their applications as soon as possible after the Offer opens.

2. Key Details of the Offer

	Full Subscription (\$2,888,270) ¹
Offer Price per Share	\$0.008
Shares currently on issue	361,033,779
Options currently on issue	0
Shares to be issued under the Rights Issue Offer	361,033,779
Shares to be issued to Directors and Officers in lieu of cash fees ²	70,900,000
Options to be issued to CPS Capital ²	75,000,000
Gross Proceeds of the Offer	\$2,888,270
Shares on issue Post Re-Instatement (undiluted)	792,967,558
Market Capitalisation Post Re-Instatement (undiluted)³	\$6,343,740
Shares on issue Post Re-Instatement (fully diluted)	867,967,558
Market Capitalisation Post Re-Instatement (fully diluted)³	\$6,943,740

Notes:

1. Assuming the full subscription of \$2,888,270 is achieved under the Offer.
2. The issue of these Shares is subject to Shareholder approval at the General Meeting. Refer to Section 3.2 below for further details.
3. Assuming a Share price of \$0.008, however the Company notes that the Shares may trade above or below this price.

3. Background to the Offer

3.1 Background

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

- (a) \$304,000 (before costs) through a placement of 38,000,000 fully paid ordinary 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.

This Prospectus sets out the Offer with respect to the Rights Issue.

The Company has entered a separate underwriting agreement with CPS Capital dated 23 June 2021 (**Underwriting Agreement**) for CPS Capital to fully underwrite the Offer. A summary of the material terms of the Underwriting Agreement is set out in Section 10.1.

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 Section 7.7.

The Company's Shares have been suspended from trading since 13 August 2019.

As announced on 23 June 2021, on the basis of the Capital Raisings, the restructure of Company debt, Board changes and proposed future exploration activities, the Company lodged submissions with the ASX for confirmation that the Company will comply with Chapter 12 of the Listing Rules and be reinstated to trading, in particular the Company sought confirmation 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, the Company has received confirmation from the ASX that the ASX can see no reason why the securities of the Company should not be reinstated to trading, subject to compliance with several conditions set out in Section 3.3 (**Reinstatement Conditions**).

3.2 General Meeting

A general meeting of Shareholders is to be held on 30 July 2021 (**General Meeting**) to:

- (a) ratify the issue of 38,000,000 Placement Shares (**Placement Share Issue**);
- (b) approve the issue of 75,000,000 Options to CPS Capital (which will only be issued to CPS Capital upon the successful reinstatement of the Company – refer to Section 10.2(b)(v) for further information;
- (c) approve the issue of a total of 70,900,000 Shares to Directors and Officers in lieu of cash fees (**Director and Officer Share Issue**);

- (d) ratify prior issues of a total of 15,571,428 Shares issued to Goldway Mega Trade Limited (**Goldway**) (**Goldway Share Issue**);
- (e) to re-appoint Directors, Mr Frank Knezovic and Mr David Wheeler; and
- (f) to approve the issue of up to 12,500,000 Shortfall Shares to Mr Frank Knezovic and Mr David Wheeler.

3.3 Reinstatement Conditions

ASX has confirmed that the securities of the Company will be reinstated to trading, subject to compliance with the following conditions precedent (**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 3.3(e)(i)(H)(I) and 3.3(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.

The Company has until 13 August 2021 to comply with the Reinstatement Conditions set out above (**Reinstatement Conditions Deadline**). However, the ASX Guidance Notes provide that ASX may extend the period set for removal of a long term suspended entity where the entity can demonstrate to ASX's satisfaction that it is in the final stages of implementing a transaction that will lead to a resumption of trading of its securities. For these purposes, being in the "final stages" includes announcing the transaction to market, signing definitive legal agreements, lodging the prospectus with ASIC (and it is not the subject of a stop order or other regulatory action by ASIC) and the entity has obtained all required approvals for the transaction (including shareholder approval). The Company considers that it will be in the "final stages" of satisfying the reinstatement conditions after it has obtained Shareholder approval at the General Meeting and the Company will apply for an extension of the period after it has received this approval.

If the Company does not, or is unable to, comply with the Reinstatement Conditions by the Reinstatement Conditions Deadline (or such later date approved by ASX), the Company's Shares will not be reinstated to trading, and the Company will be removed from the official list of ASX by virtue of the Company being a long term suspended entity.

4. Investment Overview

This Section is a summary only and is not intended to provide full information for investors intending to apply for Shares offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

Item	Summary	Further information
A. Company		
Who is the issuer of this Prospectus?	Athena Resources Limited (ACN 113 758 900) (Company or AHN).	Section 3
Who is the Company?	The Company is an Australian public company listed on ASX trading under the ASX code "AHN". The Company was admitted to the official list of ASX on 22 November 2006. The Company is the ultimate holding company of Complex Exploration Pty Ltd (ACN 128 394 490) (Complex Exploration). Complex Exploration is the ultimate holding company of Byro Exploration Pty Ltd (ACN 105 744 223) (Byro Exploration). The Company is also the ultimate holding company of Capricorn Resources Pty Ltd (ACN 117 893 106). The Company and its subsidiaries are in the business of mineral exploration. On 13 August 2019, the Company's Shares were placed into suspension from trading on ASX on the basis the ASX considered the Company did not have sufficient financial condition to satisfy ASX Listing Rule 12.2. As announced on 23 June 2021, on the basis of the Capital Raisings, the restructure of Company debt, Board changes and proposed future exploration activities, the Company lodged submissions with the ASX for confirmation that the Company will comply with Chapter 12 of the Listing Rules and be reinstated to trading, in particular the Company sought confirmation 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, the Company has received confirmation from the ASX that the ASX can see no reason why the securities of the Company should not be reinstated to trading, subject to compliance with several conditions set out in Section 3.3 (Reinstatement Conditions).	Sections 3.1 and 6.1

Item	Summary	Further information
What are the Company's assets?	The Company, through its subsidiaries, holds 5 granted exploration licenses for the Byro South ore body within the Byro Industrial Magnetite Project (Byro Project) being E09/1637, E09/1552, E09/1507, E09/1781 (these are held through Byro Exploration (20%) and Complex (80%)) and E09/1938 (being 100% held by Complex). The Company has been working on the Byro tenements since 2009. The tenements contain magnetite ore bodies and compelling base metal discovery potential. AHN through its subsidiaries, Byro and Complex, also holds two mining leases which were granted on 9 April 2018, M09/166 (held by Byro (20%) and Complex (80%)) containing the JORC 2004 compliant FE1 magnetite deposit within E09/1507, and mining lease M09/168 (held 100% by Complex) containing the Mt Narryer magnetite deposit within E09/1938..	Section 6.1, Annexure A and Annexure B
B. Business Model		
What is the Company's business model?	Following completion of the Offer, the Company's proposed business model will be to further explore and develop the Byro Project as per the Company's intended exploration program. The Company proposes to utilise the funds raised under the Offer to fund its exploration activities. A detailed explanation of the Company's business model is provided at Section 6.3 and a summary of the Company's proposed use of funds and exploration program is set out at Section 6.4 and Annexure A.	Section 6.3, Section 6.4 and Annexure A
What are the future business objectives of the Company?	The Company's objectives on completion of the Offer and reinstatement to trading on ASX are: (a) to focus predominantly on its nickel exploration; (b) to develop drill ready drill targets; (c) to conduct infill drilling to raise the FE1 JORC Inferred Resource to a 2012 compliant JORC Indicated Resource.	Section 6.3

Item	Summary	Further information
	(d) In conjunction with development of the FE1 resource, Athena intend to improve confidence in the satellite magnetite ore bodies in support of the FE1 development.	
What are the key dependencies of the Company's business model?	The key dependencies of the Company's business model include: (a) maintaining title to the Byro Project; (b) retaining and recruiting key personnel skilled in the mining and resources sector; (c) sufficient worldwide demand for the Company's minerals; (d) identifying and acquiring new projects that might add value for Shareholders; and (e) the market price of the Company's minerals remaining higher than the Company's costs of any future production (assuming successful exploration and feasibility studies by the Company).	Section 6.3
C. Key Advantages		
What are the key advantages of an investment in the Company?	The Directors are of the view that an investment in the Company provides the following non-exhaustive list of advantages: (a) on completion of the Rights Issue Offer, the Company will have sufficient funds to implement its exploration programs on the base metal and magnetite projects; (b) developed base metal targets at Milly Milly and Moonborough identified following completion of review of base metal prospectivity and geophysical surveys; (c) the identified magnetite ore bodies in the portfolio are of high-quality having multiple uses including premium Industrial Minerals; (d) advanced stage projects including granted mining leases together with mining agreements with the Native Title Parties;	Section 5

Item	Summary	Further information
	(e) a highly credible and experienced team to progress exploration and accelerate potential development of the projects, and (f) an extensive database of drilling and metallurgical results in support of further development.	
D. Key Risks		
Suspension and Delisting	On 13 August 2019, the Company's Shares were placed into suspension from trading by the ASX on the basis the ASX considered the Company did not have sufficient financial condition to satisfy ASX Listing Rule 12.2. The ASX has since advised that it will only consider lifting the suspension if the Company satisfies the Reinstatement Conditions by 13 August 2021. There can be no assurance that all the Reinstatement Conditions will be met within the required time period. The Company does however intend to apply for an extension of the time required to complete the Reinstatement Conditions (refer to Section 3.3), however there is no guarantee that ASX will grant such extension. If the Company does not, or is unable to, comply with the Reinstatement Conditions, the Company's Shares will not be reinstated to trading, and the Company will be removed from the official list of ASX. If the Company is delisted, Shareholders will be unable to trade their Shares on the ASX and the Company will need to re-comply with the ASX's listing requirements for its Shares to again become tradeable on the ASX. There can be no assurance that a relisting will be achievable in the near term or at all.	Section 8.2(a)
Application for forfeiture	Alexander Creek Pty Ltd has objected to an application for exemption from expenditure made by the Company for E09/1507 and E09/1552 for the tenement year ending 22 October 2020 and has lodged applications for forfeiture of the tenements. The Company believes it will be granted exemptions under its exemption	Section 8.2(b)

Item	Summary	Further information
	applications, based on the grounds submitted, together with the level of expenditure in previous years for the project as a whole, and for the relevant year for which exemption is sought, and also the activities and plans for future exploration. If the exemptions are granted they will afford a complete defence to the applications for forfeiture.	
Tenement Expiry	Some of the Company's Tenements are due to expire within the next 12 months. E09/1507 and E09/1552 will expire on 22 October 2021. E09/1637 will expire on 22 March 2022 and E09/1938 will expire on 28 June 2022. The Company will apply for a renewal of each of these Tenements. There is however no guarantee that these Tenements will be renewed upon application. The renewal of the term of granted tenements is subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements. The imposition of new conditions, or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company. However, based on the work done to date on the Tenements and the proposed work to be carried out by the Company, as well as the expected grant of expenditure exemptions, the Company has formed the view that it does not foresee any reason why the Tenements will not be renewed.	Section 8.2(c)
Future requirements funding	The funds raised by the Offer will be used to carry out the Company's objectives as detailed in this Prospectus. The Company's ability to raise further capital (equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary according to a number of factors, including prospectivity of projects (existing and future), the results of exploration, feasibility studies, development and mining, stock market and industry conditions and the price of relevant	Section 8.2(d)

Item	Summary	Further information
	commodities and exchange rates. The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in the future. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations.	
Reliance on key personnel	The Company is reliant on its management. The loss of one or more of these individuals could adversely affect the Company. In addition, the Company's ability to manage growth effectively will require it to continue to implement and improve its management systems and to recruit and train new employees and consultants. Although the Company expects to be able to do so in the future, there can be no assurance that the Company will be able to attract and retain skilled and experienced personnel and consultants.	Section 8.2(e)
Share liquidity and ASX listing	Due to the size and nature of the Company, the liquidity of its Shares traded on the ASX (once reinstated) can be low. This could impact your ability to sell the Shares that you acquire or the prices at which you can sell your Shares. Under the ASX Listing Rules a listed company must maintain a spread of holdings which, in ASX's opinion, is sufficient to ensure that there is an orderly and liquid market in its securities. If a company is unable to maintain the required level of spread, ASX may suspend and eventually delist that company, which would materially adversely affect the ability of Shareholders to buy and sell shares.	Section 8.2(f)
Native title and Aboriginal Heritage	In relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the	Section 8.2(g)

Item	Summary	Further information
	exploration phase to the development and mining phases of operations may be adversely affected.	
Litigation Risks	The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, reputation, financial performance and financial position.	Section 8.2(h)
Other risks	For additional specific risks please refer to Section 8.2. For other risks with respect to the industry in which the Company operates and general investment risks, many of which are largely beyond the control of the Company and its Directors, please refer to Sections 8.3 and 8.4.	Section 8.2, 8.3 and 8.4

E. Directors and Key Management Personnel

Who are the Directors and proposed Directors?	The Board currently consists of: (a) Edmond Edwards – Executive Director (b) Hau Wan Wai – Executive Director (c) Frank Knezovic – Non-Executive Director; (d) David Wheeler – Non-Executive Director. The profiles of each of the Directors are set out in Section 9.1.	Section 9.1
What are the significant interests of Directors in the Company?	The interests of the Directors in the securities of the Company and remuneration of the Directors is set out in Section 9.2	Section 9.2
What are the significant interests of advisors to the Company?	The Rights Issue Offer is fully underwritten by CPS Capital Group Pty Ltd (ACN 088 055 636) (Underwriter). Refer to Section 10.1 for details of the terms of the underwriting. The Underwriter is presently not a Shareholder and is not a related party of the Company for the purposes of the Corporations Act.. However, as part of participation in the Placement, 28,500,000	Section 5.4.2

Item	Summary	Further information
	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 Capital. The issue of Shares under this Prospectus to the Underwriter will increase its interest in the Company and dilute the Shareholding of other Shareholders to the extent they elect not to participate in the Offer or are ineligible to participate in the Offer. Further, the Underwriter will also receive 75,000,000 Options under the Lead Manager Mandate, upon the successful reinstatement of the Company. If the Underwriter exercises these Options, the Underwriter's interest in the Company will increase further.	
What related party agreements are the Company party to?	Refer to Section 10.3 for details of related party agreements with the Company.	Section 10.3
F. Financial Information		
How has the Company been performing?	The Company's principal activity is mineral exploration and as such profits are not expected. Recent history is shown in Section 7	Section 7
What is the financial outlook for the Company?	No profits are expected in the short term. The effect of this offer on the Balance Sheet of the Company is shown in Section 7	Section 7
Does the Company have any debt?	See Section 7.7 for all current liabilities.	Section 7.7
G. Offer		
What is the Offer?	The Rights Issue Offer is being made as a pro-rata non-renounceable entitlement issue of one (1) Share for every one (1) Share held by Shareholders registered at the Record Date at an issue price of \$0.008 per Share. Based on the capital structure of the Company as at the date of this Prospectus, (and assuming no Shares are issued prior to the Record Date) approximately 361,033,779 Shares may be issued under the Rights Issue Offer to raise up to \$2,888,270.	Section 5.1

Item	Summary	Further information
Is there a minimum subscription under the Offer?	As the Offer is fully underwritten by CPS Capital, there is no minimum subscription.	Section 5.6
What is the purposes of the Offer?	The purpose of the Offer is to facilitate reinstatement of the Company's securities to trading and to position the Company to seek to achieve the objectives stated at Section B of this Investment Overview. A secondary purpose of the Offer is to remove the need for an additional disclosure document to be issued upon the sale of any Shares that are to be issued under the Offer and the Additional Share Issues (as detailed further in Section 5.5).	Sections 5.5 and 5.8
Is the Offer underwritten?	The Offer is fully underwritten by CPS Capital. Refer to Section 10.1 for a summary of the material terms and conditions of the Underwriting Agreement.	Sections 5.4.2 and 10.1
Who is eligible to participate in the Offer?	This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in Jurisdictions outside Australia or New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. Only Eligible Shareholders registered on the Record Date will be eligible to participate in the Rights Issue Offer.	Section 5.11
How do I apply for Securities under the Offer?	Applications for Shares under the Offer must be made by completing the electronic Entitlement and Acceptance Form. Refer to Section 5.2 for further details.	See Section 5.2
Can Shareholders apply for additional Securities above their entitlement and what is the allocation policy?	Any Shares not subscribed for under the Rights Issue Offer will become Shortfall Shares. The offer to issue Shortfall Shares is a separate offer under this Prospectus and will remain open for up to three months following the Closing Date (Shortfall Offer). Refer to Section 5.2 for details on how to apply for Shortfall Shares.	Section 5.4

Item	Summary	Further information
	The Company and Underwriter have agreed under the Underwriting Agreement that Underwritten Shares will be allocated at CPS's discretion to: (a) Shareholders who have applied for Shortfall Securities and third-party investors who have been invited by the Company and the Underwriter and have subscribed with valid applications for Shortfall Securities (Shortfall Investors) with allocations (and any scale back) to take into account the following factors: (i) the need to recognise the ongoing support of existing Shareholders of the Company; (ii) identifying new potential long-term or cornerstone investors; and (iii) ensuring an appropriate Shareholder base for the Company; and (b) the Underwriter on the basis that valid applications will go in relief of the Underwritten Amount of the Underwriter. The Company and the Underwriter, in its absolute discretion, reserve the right to allot to an applicant a lesser number of Shares than the number for which the applicant applies or to reject an Entitlement and Acceptance Form. If the number of Shares allotted is fewer than the number applied for, surplus application money will be refunded without interest as soon as practicable. No applicant under the Offer has any assurance of being allocated all or any Shares applied for.	
What will the Company's capital structure look like on completion of the Offer?	The Company's capital structure on a post-Offer basis is set out in Section 6.5.	Section 6.5.
What are the terms of the Shares offered under the Offer?	A summary of the material rights and liabilities attaching to the Shares offered under the Offer are set out in Section 11.3.	Section 11.3.

Item	Summary	Further information
Will any Shares be subject to escrow?	None of the Shares issued under the Offer will be subject to escrow.	
Will the Shares be quoted on ASX?	Application for Official Quotation by ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. Given the Company has already been admitted to the Official List and is now only seeking reinstatement to trading, the Shares will be admitted to Official Quotation by ASX before the expiration of three (3) months after the date of this Prospectus as required under the Corporations Act. However, applicants should be aware that trading of the Shares is subject to ASX lifting the Company's suspension. There is no guarantee that the Company will meet all Reinstatement Conditions or that the ASX will lift the Company's suspension. If reinstatement to trading does not occur, the Shares offered under this Prospectus will not be tradeable on the ASX. Applicants should note that no refund of Application monies will be provided if the Company is not reinstated to trading. The Offer is not conditional upon reinstatement occurring. The fact that ASX may reinstate the Company to trading is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.	Section 5.9
What are the key dates of the Offers?	The key dates of the Offers are set out in the indicative timetable in Section 1.	Section 1
What is the minimum investment size under the Offer?	There is no minimum investment size under the Offer.	Section 5.9
H. Use of funds		
How will the proceeds of the Offer be used?	The proceeds from the Offer and the Company's existing cash reserves will be used for: (a) the Underwriting Fee; (b) Overheads;	Section 6.4

Item	Summary	Further information
	(c) Exploration required under Reinstatement Conditions (see Annexure A); and (d) Future Expenditure, further details of which are set out in Section 6.4.	
Will the Company be adequately funded after completion of the Offer?	The Directors are satisfied that on completion of the Offer, the Company will have sufficient working capital to carry out its objectives as stated in this Prospectus.	Section 6.4
I. Additional information		
Is there any brokerage, commission or duty payable by applicants?	No brokerage, commission or duty is payable by applicants on the acquisition of Shares under the Offer. However, the Company will pay to the Underwriter 6% (ex GST) of the total amount raised under the Prospectus.	Section 5.12
Can the Offer be withdrawn?	The Company reserves the right not to proceed with the Offer at any time before the issue or transfer of Shares to successful applicants. If the Offer does not proceed, application monies will be refunded (without interest).	Section 5.14
What are the tax implications of investing in Shares?	Holders of Shares may be subject to Australian tax on dividends and possibly capital gains tax on a future disposal of Securities subscribed for under this Prospectus. The tax consequences of any investment in Shares will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to subscribe for Securities offered under this Prospectus.	Section 5.13
What is the Company's Dividend Policy?	The Company anticipates that significant expenditure will be incurred in the exploration and development of the Byro Project in the next two years following reinstatement. Accordingly, the Company does not expect to declare any dividends during that period. Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on	Section 6.8

Item	Summary	Further information
	the availability of distributable earnings and the operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.	
What are the corporate governance principles and policies of the Company?	To the extent applicable, the Company has adopted <i>The Corporate Governance Principles and Recommendations (3rd Edition)</i> as published by ASX Corporate Governance Council (Recommendations). In light of the Company's size and nature, the Board considers that the current board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed. The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined in Annexure D and the Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website www.athenaresources.com.au.	Section 9.4 and Annexure D
Where can I find more information?	(a) By speaking to your sharebroker, solicitor, accountant or other independent professional adviser; (b) By contacting the Company, on +61 8 9307 7902; or (c) By contacting the Share Registry on +61 8 9323 2000.	

This Section is a summary only and is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

5. Details of the Offer

5.1 The Rights Issue Offer

The Rights Issue Offer is being made as a pro-rata non-renounceable entitlement issue of one (1) Share for every one (1) Share held by Shareholders registered at the Record Date at an issue price of \$0.008 per Share.

Fractional entitlements will be rounded down to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, (and assuming no Shares are issued prior to the Record Date) approximately 361,033,779 Shares may be issued under the Rights Issue Offer to raise up to \$2,888,270.

As at the date of this Prospectus, there are no options on issue.

All of the Shares offered under the Rights Issue Offer will rank equally with the Shares on issue at the date of this Prospectus. A summary of the material rights and liabilities attaching to the Rights Issue Shares is set out in Section 11.3.

The purpose of the Rights Issue Offer and the intended use of funds raised are set out in Sections 5.8 and 6.4.

The Rights Issue Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement. The Company reserves the right to close the Rights Offer early.

5.2 What Eligible Shareholders may do

The number of Shares to which Eligible Shareholders are entitled is shown on the personalised Entitlement and Acceptance Form that is accessible from the Offer Website: <https://athenaresources-ri.online.computershare.com> (**Offer Website**).

Eligible Shareholders may choose any of the options:

- (a) Take up all your Entitlement in full and, if you do so, you may also apply for Shortfall Shares under the Shortfall Facility; or
- (b) Take up part of your Entitlement and the rest of your Entitlement will lapse; or
- (c) Do nothing and allow your Entitlement to lapse.

If Eligible Shareholders have more than one registered holding of Shares, Eligible Shareholders will have a separate Entitlement for each separate holding and a personalised Entitlement and Acceptance Form for each Entitlement which will be accessible via the Offer Website.

To accept the Rights Issue Offer, you will need to follow these steps

- (a) Access the Offer Website at: <https://athenaresources-ri.online.computershare.com>
- (b) View or download the Prospectus by clicking on 'View Offer Document'.
- (c) Eligible Shareholders can click 'Apply Now' and enter their Securityholder Reference Number (SRN) or Holder Identification Number (HIN) and post code to access the personalised Entitlement and Acceptance Form.

If you wish to take up all your Entitlement or take up all of your Entitlement and participate in the Shortfall Facility

If you wish to take up all of your Entitlement, you must:

- (a) access the Offer Website and pay your Application Money via Bpay by following the instructions set out on the personalised Entitlement and Acceptance Form accessible via the Offer Website;
- (b) if you are a New Zealand Shareholder you may access the Offer Website and obtain instruction to pay via EFT; or
- (c) if you are a custodian, please refer to the communication sent to you from the Share Registry for instructions on how to apply and pay,

in each case, by no later than 5pm (WST) on 4 August 2021. If you apply to take up all of your Entitlement, you may also apply for Shortfall Shares under the Shortfall Offer (refer to Section 5.4).

The Company may treat amounts it receives in excess of the Offer price multiplied by your Entitlement as an Application to apply for as many Shortfall Shares in the Shortfall Offer as will be paid in full from the excess amounts.

If your application for Shortfall Shares under the Shortfall Offer is accepted in whole or in part, your Shortfall Shares will be issued to you at the same time that other Shares are issued under the Rights Issue Offer. There is no guarantee that you will be allocated any Shortfall Shares.

If you wish to take up part of your Entitlement and let the balance lapse

If you wish to take up part of your Entitlement, you must:

- (a) access the Offer Website and pay your Application Money for the relevant part via Bpay by following the instructions set out on the personalised Entitlement and Acceptance Form accessible via the Offer Website;
- (b) if you are a New Zealand Shareholder you may access the Offer Website and obtain instruction to pay via EFT; or
- (c) if you are a custodian, please refer to the communication sent to you from the Share Registry for instructions on how to apply and pay,

in each case, by no later than 5pm (WST) on 4 August 2021.

Any of your Entitlement which you do not take up will lapse. Your percentage shareholding in the Company will be diluted accordingly.

If the Company receives an amount from you that is less than the Offer Price multiplied by your Entitlement, the Company may treat your payment as an Application for as many Shares as your Application Money will pay in full and the balance of your Entitlement will lapse.

If you wish to do nothing and allow your Entitlement to lapse

If you do not wish to take up any part of your Entitlement, you do not need to take any further action. Your Entitlement will lapse and your percentage shareholding in the Company will be diluted accordingly.

5.3 Payment Methods

You can pay in the following ways:

- (a) BPAY (via the Offer Website) if you are an Australian Shareholder (refer to Section 5.3.1);
- (b) EFT if you are a New Zealand Shareholder (access the Offer Website and obtain instructions to pay via EFT) (Refer to Section 5.3.2); or
- (c) If you are a custodian, please refer to the communication sent to you from the Share Registry for instructions on how to apply and pay.

Cash payments will not be accepted. Receipts for payment will not be issued.

Any application money received for more than your final allocation of Shares will be refunded via direct credit to the bank account you specified soon as practicable after the close of the Offer. No interest will be paid to applicants on any Application monies received or refunded.

5.3.1 Payment by Bpay – Australian Shareholder only

To pay by Bpay following the instructions on the personalised Entitlement and Acceptance Form located on the Offer Website. You can only make a payment via BPAY if you are the holder of an account with an Australian financial institution that supports BPAY transactions.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted through BPAY are received by 5pm (WST) on the 4 August 2021. The Company shall not be responsible for any delay in the receipt of the BPAY payment.

5.3.2 Payment by EFT – New Zealand Shareholders only

To pay by EFT, you must first complete your personalised Entitlement and Acceptance Form via the Offer Website in accordance with the instructions on the personalised Entitlement and Acceptance Form and make payment via your financial institution using the instructions provided.

Your payment must be:

- (a) for the amount equal to AUD\$0.008 multiplied by the number of Shares that you are applying for;
- (b) in Australian currency paid to the bank account specified on your personalised Entitlement and Acceptance Form. Payments cannot be made in New Zealand dollars.

Your payment maybe subject to fees and charges imposed by intermediary banks involved. All fees and charges are the responsibility of the sender.

If you make a payment via EFT, your application money must be received at the Registry no later than the close of the Entitlement Offer, being 5pm on 4 August 2021.

5.3.3 Implications of an acceptance

Returning a completed Entitlement and Acceptance Form or paying any Application monies will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety;
- (b) all details and statements contained in the completed Entitlement and Acceptance Form by them are complete and accurate;
- (c) you acknowledge that once the Entitlement and Acceptance Form is returned, or a payment instruction is given in relation to any Application monies, the application may not be varied or withdrawn except as required by law;
- (d) you acknowledge that if an Entitlement and Acceptance Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the Entitlement and Acceptance Form as valid. The Company's decision to treat an application as valid, or how to construe, amend or complete it, will be final.

5.4 Shortfall and Allocation Policy

Any Shares not subscribed for under the Rights Issue Offer will become Shortfall Shares. The offer to issue Shortfall Shares is a separate offer under this Prospectus and will remain open for up to three months following the Closing Date (**Shortfall Offer**). Refer to Section 5.2 for details on how to apply for Shortfall Shares.

The Company and Underwriter have agreed under the Underwriting Agreement that Underwritten Shares will be allocated at CPS's discretion to:

- (a) Shareholders who have applied for Shortfall Shares and third-party investors who have been invited by the Company and the Underwriter and have subscribed with valid applications for Shortfall Shares (**Shortfall Investors**) with allocations (and any scale back) to take into account the following factors:
 - (i) the need to recognise the ongoing support of existing Shareholders of the Company;
 - (ii) identifying new potential long-term or cornerstone investors; and
 - (iii) ensuring an appropriate Shareholder base for the Company and
- (b) the Underwriter on the basis that valid applications will go in relief of the Underwritten Amount of the Underwriter.

The Shortfall Shares will be offered and issued at the same price as the Shares offered under the Rights Issue Offer, being \$0.008. The Shortfall Shares will have the same rights as the Shares offered under the Rights Issue and the Company's existing Shares as detailed in Section 11.3.

The Company and the Underwriter, in its absolute discretion, reserve the right to allot to an applicant a lesser number of Shares than the number for which the applicant applies or to reject an Entitlement and Acceptance Form. If the number of Shares allotted is fewer than the number applied for, surplus application money will be refunded without interest as soon as practicable.

No applicant under the Offer has any assurance of being allocated all or any Shares applied for.

The Company will not be liable to any person not allocated Shares or not allocated the full amount applied for.

No Shares will be issued to an applicant under this Prospectus or via the Shortfall Offer if the issue of Shares would contravene the takeover prohibition in section 606 of the Corporations Act. Similarly, no Shares will be issued via the Shortfall Offer to any related parties of the Company without prior shareholder approval.

5.4.1 Potential dilution on non-participating Shareholders

Shareholders should note that if they do not participate in the Rights Issue Offer, their holdings are likely to be diluted by approximately 50% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

For illustrative purposes, the table below shows how the dilution may impact the holdings of Shareholders:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Rights Issue Offer	Holdings if Rights Issue Offer not taken Up	% post Rights Issue Offer
Shareholder 1	10,000,000	2.77%	10,000,000	10,000,000	1.38%
Shareholder 2	5,000,000	1.38%	5,000,000	5,000,000	0.69%
Shareholder 3	1,500,000	0.42%	1,500,000	1,500,000	0.21%
Shareholder 4	400,000	0.11%	400,000	400,000	0.06%
Shareholder 5	50,000	0.01%	50,000	50,000	0.0069%
Total	361,033,779		361,033,779		722,067,558

Notes:

1. This is based on a share capital of 361,033,779 Shares as at the date of the Prospectus and assumes no other Securities are issued.
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Underwriting and Shortfall Offer.

5.4.2 Underwriting

The Rights Issue Offer is fully underwritten by CPS Capital Group Pty Ltd (ACN 088 055 636) (**Underwriter**). Refer to Section 10.1 for details of the terms of the underwriting.

The Underwriter is presently not a Shareholder and is not a related party of the Company for the purposes of the Corporations Act. However, as part of participation in the Placement, 28,500,000 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 issue of Shares under this Prospectus to the Underwriter will increase its interest in the Company and dilute the Shareholding of other Shareholders to the extent they elect not to participate in the Offer or are ineligible to participate in the Offer. Further, the Underwriter will also receive 75,000,000 Options under the Lead Manager Mandate, upon the successful

reinstatement of the Company. If the Underwriter exercises these Options, the Underwriter's interest in the Company will increase further.

In accordance with the terms of the Underwriting Agreement, the Underwriter will allocate the Shortfall at the Underwriter's discretion to:

- (a) Shareholders who have applied for Shortfall Shares and third-party investors who have been invited by the Company and the Underwriter and have subscribed with valid applications for Shortfall Shares; or
- (b) the Underwriter on the basis that valid applications will go in relief of the Underwritten Amount of the Underwriter.

The Underwriter may procure such persons to sub-underwrite the Underwritten Shares as the Underwriter in its sole and absolute discretion thinks fit.

The Company, in consultation with the Underwriter, will ensure that the Offer (including the equitable dispersion of any Shortfall Shares) complies with the provisions of Chapter 6 of the *Corporations Act 2001* (Cth) and is otherwise consistent with the policy guidelines contained in ASIC Regulatory Guide 6 and Takeovers Panel Guidance Note 17.

5.5 Cleansing of Previous Security Issues

In addition to the Offer under this Prospectus, the Company is also cleansing the following issues of Securities:

- (a) Placement Share Issue;
- (b) Director and Officer Share Issue;
- (c) Goldway Share Issue; and
- (d) 6,857,143 Shares issued to Goldway on 14 May 2021,

(together, the **Additional Share Issues**).

Generally, section 707(3) of the Corporations Act requires that a prospectus is issued in order for a person to whom securities were issued without disclosure under Part 6D of the Corporations Act to on-sell those securities within 12 months after the date of their issue.

Section 708A(5) of the Corporations Act provides an exception to section 707(3) where an entity issues a 'cleansing' notice under section 708A(5). However, the Company has been suspended from trading on the ASX for more than 5 days in the last 12 months and as a result is precluded from issuing a 'cleansing' notice in accordance with section 708A(5) of the Corporations Act.

Section 708A(11) of the Corporations Act provides another exemption from this general requirement where:

- (a) the relevant securities are in a class of securities that are quoted securities of the Company;
- (b) either:
 - (i) a prospectus is lodged with ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or

- (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the company that are in the same class of securities as the relevant securities.

A secondary purpose of this Prospectus is to meet the requirements of section 708A(11) of the Corporations Act, so that any trading restrictions on the Additional Share Issues are removed.

5.6 No minimum subscription

There is no minimum subscription in respect of any of the Offer as the Offer is fully underwritten by CPS Capital.

5.7 Oversubscriptions

No oversubscriptions will be accepted by the Company under the Offer.

5.8 Purpose of the Offer

The primary purposes of the Offer is to:

- (a) assist the Company to strengthen its balance sheet so that its financial condition is adequate for the purposes of ASX Listing Rule 12.2 and to lift the suspension to allow reinstatement of the Company's securities to trading on ASX;
- (b) provide the Company with additional funding for:
 - (i) its proposed exploration programs (as further detailed in Section 6.4);
 - (ii) the Company's working capital requirements while it is implementing the above; and
- (c) remove the need for an additional disclosure document to be issued upon the sale of any Shares that are to be issued under the Offer and the sale of the Additional Share Issues.

The Company intends to apply the funds raised under the Offer, together with its existing cash reserves, in the manner detailed in 6.4.

5.9 Suspension of Trading and Quotation

Application for Official Quotation by ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus.

Given the Company has already been admitted to the Official List and is now only seeking reinstatement to trading, the Shares will be admitted to Official Quotation by ASX before the expiration of three (3) months after the date of this Prospectus as required under the Corporations Act. However, applicants should be aware that trading of the Shares is subject to ASX lifting the Company's suspension. There is no guarantee that the Company will meet all the Reinstatement Conditions or that the ASX will lift the Company's suspension. If reinstatement to trading does not occur, the Shares offered under this Prospectus will not be tradeable on the ASX. Applicants should note that **no refund of application monies will**

be provided if the Company is not reinstated to trading. The Offer is not conditional upon reinstatement occurring.

The fact that ASX may reinstate the Company to trading is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

5.10 Issue

The issue of Shares offered by this Prospectus will take place as soon as practicable after the Closing Date.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each applicant waives the right to claim interest.

The Directors (in conjunction with the Underwriter) will determine the recipients of the issued Shares in their sole discretion in accordance with the allocation policy detailed in Section 5.4). The Directors reserve the right to reject any application or to allocate any applicant fewer Shares than the number applied for. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after the Closing Date.

Holding statements for Shares issued to the issuer sponsored subregister and confirmation of issue for Clearing House Electronic Subregister System (CHES) holders will be mailed to applicants being issued Shares pursuant to the Offer as soon as practicable after their issue.

5.11 Applicants outside Australia and New Zealand

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia or New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Shares or otherwise permit a public offering of the Shares the subject of this Prospectus in any jurisdiction outside Australia or New Zealand. Applicants who are resident in countries other than Australia or New Zealand should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

If you are outside Australia or New Zealand it is your responsibility to obtain all necessary approvals for the issue of the Shares pursuant to this Prospectus. The return of a completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained.

New Zealand

The Shares under the Offer are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of these Shares is being made in reliance on the transitional provisions of the *Financial Markets Conduct Act 2013 (New Zealand)* and the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand)*.

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

5.12 Commissions payable

The Company reserves the right to pay a commission of up to 6% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

5.13 Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor.

It is not possible to provide a comprehensive summary of the possible taxation positions of all potential applicants. As such, all potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus or the reliance of any applicant on any part of the summary contained in this Section.

No brokerage, commission or duty is payable by applicants on the acquisition of Shares under the Offer.

5.14 Withdrawal of Offer

The Offer may be withdrawn at any time. In this event, the Company will return all application monies (without interest) in accordance with applicable laws.

6. Company and Project Overview

6.1 Background

The Company is an Australian public company listed on ASX trading under the ASX code “AHN”. The Company was admitted to the official list of ASX on 22 November 2006.

The Company is the ultimate holding company of Complex Exploration Pty Ltd (ACN 128 394 490) (**Complex Exploration**). Complex Exploration is the ultimate holding company of Byro Exploration Pty Ltd (ACN 105 744 223) (**Byro Exploration**). The Company is also the ultimate holding company of Capricorn Resources Pty Ltd (ACN 117 893 106).

The Company and its subsidiaries are in the business of mineral exploration and hold 5 granted exploration licenses for the Byro South ore body within the Byro Industrial Magnetite Project (**Byro Project**) being E09/1637, E09/1552, E09/1507, E09/1781 (these are held through Byro Exploration (20%) and Complex (80%)) and E09/1938 (being 100% held by Complex). The Company has been working on the Byro tenements since 2009. The tenements contain magnetite ore bodies and compelling base metal discovery potential.

AHN through its subsidiaries, Byro and Complex, also holds two mining leases which were granted on 9 April 2018, M09/166 (held by Byro (20%) and Complex (80%)) containing the JORC 2004 compliant FE1 magnetite deposit within E09/1507, and mining lease M09/168 (held 100% by Complex) containing the Mt Narryer magnetite deposit within E09/1938..

6.2 Overview of the Byro Project - Historical Exploration

(a) Industrial Magnetite

- (i) Historical exploration undertaken by the Company has confirmed ten high grade satellite ore bodies.
- (ii) Work completed on the Byro iron project has included data compilation, metallurgical test work review of the FE1 resource and preliminary suitability testing to a variety of industrial applications. Key to suitability was identifying industrial requirements compatible with the unique characteristics of the Byro premium magnetite.
- (iii) Work has also included examining the requirements of the industrial magnetite marketplace in which the Company recognises the benefits of marketing its high grade premium magnetite product.
- (iv) The Company has previously completed extensive test work characterising the Byro metamorphic magnetite. Testing was completed in laboratories in Australia and in China which defined the major work indices required to develop bulk processing designs and costs. Emphasis on results was placed on producing a furnace feed product. Results from this work were announced on the ASX platform in July and August 2011. The full metallurgical characterisation at that time also highlighted other qualities and reassessment has now been made with reference to industrial uses for the premium Byro magnetite.
- (v) The Company has steadily been developing the potential of the tenements by gaining an understanding and characterisation of the mineralization discovered, followed by refining target areas and the development of a maiden JORC compliant inferred resource at FE1.

- (vi) The Company has also undertaken detailed environment studies (climate, flora, fauna and water) de-risking project development, hydro scoping studies confirming water supply to processing and mining operations and transport corridor development, confirming sustainable and economic access to port from resource and satellite ore bodies.
 - (vii) The Company has also completed negotiations with respect to native title matters and has entered into mining agreements with the Wajarri Yamatji native title claim group.
 - (viii) A scoping study has identified strong positive economic indicators warranting full feasibility studies.
- (b) Nickel (Base Metal Cu-Ni-PGE)
- (i) Upon acquisition of the Byro tenements in 2009, Athena undertook data compilations and assessments of historical data and exploration methodologies. These assessments confirmed a base metal occurrence within the highly prospective Yilgarn margin and concluded that the exploration methodologies applied were ineffective.
 - (ii) Athena then conducted geophysical surveys to gain higher resolution of anomalous historical geochemical, magnetic, gravity and electromagnetic responses. The results using the technology at that time confirmed and gave higher resolution of the anomalies. Surveys included:
 - (A) detailed airborne magnetic, radiometric and digital terrain survey;
 - (B) a helicopter borne versatile time domain electromagnetic survey, (VTEM), including inversed polarisation, (IP) data acquisition;
 - (C) detailed airborne magnetic, radiometric and digital terrain survey;
 - (D) correlation with dataset small scale localised IP and MT surveys;
 - (E) detailed close spaced gravity surveys over the Milly Milly intrusion and Moonborough intrusion.
 - (iii) Surface soils and rock chip sampling programs were also completed, and confirmed prospective mineralised archetypal rock units associated with the geophysical anomalies that were identified by Athena's surveys and historical geophysics and geochemistry.
 - (iv) Athena successfully completed exploration drilling to acquire detailed geological and geochemical data which identified key indicators of base metal fertility and vectors towards mineral concentration beyond historical exploration. Methods included ICP and XRF assay, petrology, scanning electron microscopy, spectral geochemical analysis.
 - (v) Previous exploration has narrowed the search ellipse reducing the tenement footprint from 3000km² to 410km² resolving 3 ineffectively tested high level target areas at the Milly Milly intrusion and 3 high level target areas at the Moonborough intrusion.

6.3 Business model

Following completion of the Offer, the Company's proposed business model will be to further explore and develop the Byro Project as per the Company's intended exploration program.

A detailed Exploration Program showing the exploration activities to be conducted as part of the Reinstatement Conditions is set out in Annexure A.

Future Exploration

In the coming months, the Company intends to focus predominantly on its nickel exploration.

Athena is applying the latest technology to de-risk the 6 targets areas identified, by conducting high powered moving loop electromagnetic survey (**HP MLTEM**). The purpose of the survey is to develop high resolution de-risked and drill ready drill targets.

Athena also intends to conduct infill drilling to raise the FE1 JORC Inferred Resource to a 2012 compliant JORC Indicated Resource. Once the FE1 resource has been lifted to a JORC Indicated mineral resource estimate, (**MRE**), no further drilling will be required to proceed to mining. On completion of an indicated MRE the company can release its feasibility study, publicly stating the positive NPV and IRR and proceed directly to environment and mining approvals.

In conjunction with development of the FE1 resource, Athena intend to improve confidence in the satellite magnetite ore bodies in support of the FE1 development.

6.4 Use of Funds - Proposed Exploration Program and Budget

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 to be conducted in the near term (see Annexure A)	626,000
Exploration to be conducted in the mid-term (specific base metals activity) (see Annexure A)	662,000
Exploration to be conducted in the mid-term (industrial magnetite) (see Annexure A)	984,211
Total	\$2,888,270

Note: The above table is a statement of current intentions as at the date of this Prospectus. 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.

The Company's proposed exploration program and budget is set out in Annexure A (**Exploration Program and Budget**).

The Exploration Program and Budget is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

The Directors consider that following completion of the Offer, the Company will have sufficient working capital to carry out its stated objectives. It should however be noted that an investment in the Company is speculative and investors are encouraged to read the risk factors outlined in Section 8.

6.5 Capital structure

The capital structure of the Company following completion of the Offer is summarised below:

Shares¹

	Number
Shares currently on issue	361,033,779
Shares to be issued pursuant to the Rights Issue Offer ²	361,033,779
Director and Officer Share Issue	70,900,000
Total Shares on completion of the Offers	792,967,558

Notes:

1. The rights attaching to the Shares are summarised in Section 11.3. The Shares currently on issue include the 38,000,000 Shares issued pursuant to the Placement.
2. This assumes the Company raises a total of \$2,888,270 under the Rights Issue at an issue price of \$0.008 per Share.

Options

	Number
Options currently on issue	0
Options to be issued to CPS Capital ¹	75,000,000
Total Options on completion of the Offers	75,000,000

Notes:

1. 75,000,000 Options will be issued to CPS Capital pursuant to the Lead Manager Mandate.

6.6 Substantial Shareholders

Those Shareholders holding 5% or more of the Shares on issue both as at the date of this Prospectus and, to the best of the Company's knowledge, on completion of the Offer are set out in the respective tables below.

(a) As at the date of the Prospectus:

Shareholder	Shares	Options	Percentage (%) undiluted)	Percentage (%) (fully diluted)
Goldway Mega Trade Limited	52,082,857	Nil	14.43	14.43
Brilliant Glory Industrial Corporation Limited ³	43,000,000	Nil	11.91	11.91
Edmond William Edwards ¹	38,128,831	Nil	10.56	10.56
Jason Peterson ²	28,500,000	Nil	7.89	7.89

Notes:

- Mr Edwards is a Director of the Company. The Shares are held by the following entities, of which Mr Edwards is also a director:
 - Tied Nominees Pty Ltd holds 38,073,831 Shares;
 - Tied Investments Pty Ltd holds 55,000 Shares
- Jason Peterson is a director of CPS Capital, the Underwriter. 28,500,000 Shares are held by Sunset Capital Management P/L <Sunset Superfund A/C>, of which Mr Peterson is trustee
- Hau Wan Wai, a Director of the Company, is a director of Brilliant Glory Industrial Corporation Limited.

(b) On completion of the issue of Shares under the Offer (assuming existing substantial Shareholders (other than Mr Edwards who will not take up his Entitlement) take up their full Entitlements and no existing substantial Shareholder subscribes and receives Shortfall Shares pursuant to the Offer, assuming the Director and Officer Share Issue occurs (subject to approval at the General Meeting) and that no Options are exercised):

Shareholder	Shares	Options	Percentage (%) undiluted)	Percentage (%) (fully diluted)
Goldway Mega Trade Limited	104,165,714	Nil	13.14	13.14
Brilliant Glory Industrial Corporation Limited ¹	86,000,000	Nil	10.85	10.85
Edmond William Edwards ²	69,378,831	Nil	8.75	8.75

Jason Peterson ³	57,000,000	Nil	7.19	7.19
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Notes:

1. Hau Wan Wai, a Director of the Company, is a director of Brilliant Glory Industrial Corporation Limited.
2. Mr Edwards is a Director of the Company.
3. Jason Peterson is a director of CPS Capital, the Underwriter.

The Company will announce to the ASX details of its top-20 Shareholders following completion of the Offer prior to the Shares commencing trading on ASX.

6.7 Additional Information

Prospective investors are referred to and encouraged to read in its entirety both:

- (a) Annexure A for further details about the geology, location and mineral potential of the Company's Projects; and
- (b) the Solicitor's Report on Tenements in Annexure B for further details in respect to the Company's interests in the Tenements.

6.8 Dividend policy

The Company anticipates that significant expenditure will be incurred in the exploration and development of the Company's existing Byro Project in the next two years following reinstatement. Accordingly, the Company does not expect to declare any dividends during that period.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and the operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

7. Financial Information

7.1 Introduction

The financial information contained in this Section 7 includes:

- (a) the audited consolidated historical Statement of Financial Position as at 30 June 2020 and audited historical Statement of Profit or Loss and Statement of Cash Flows of the Group for the year then ended;
- (b) the reviewed consolidated historical Statement of Financial Position as at 31 December 2020 and reviewed historical Statement of Profit or Loss and Statement of Cash Flows of the Group for the period then ended;
- (c) the reviewed consolidated historical Statement of Financial Position as at 30 June 2021 and reviewed historical Statement of Profit or Loss and Statement of Cash Flows of the Group for the year then ended;

(together referred to as the **Historical Financial Information**) together with

- (d) the pro forma Statement of Financial Position of the Company as at 30 June 2021 and supporting notes which include the pro forma adjustments (**Pro Forma Financial Information**);

(together referred to as the **Financial Information**).

The Directors are responsible for the preparation and inclusion of the Financial Information in the Prospectus. HLB Mann Judd has prepared an Independent Limited Assurance Report in respect of the Financial Information, as set out in Annexure C. Investors should note the scope and limitations of the Independent Limited Assurance Report.

References to “the Group” relate to the Company and its wholly-owned subsidiaries Complex Exploration Pty Ltd, Capricorn Resources Pty Ltd and Byro Exploration Pty Ltd.

All amounts disclosed in this Section are presented in Australian dollars.

7.2 Basis of preparation of the Historical Financial Information

The Historical Financial Information included in this Section 7 has been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards (including the Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board and the Corporations Act. The Historical Financial Information is presented in an abbreviated form insofar as it does not include all the presentation, disclosures, statements or comparative information as required by Australian Accounting Standards applicable to annual financial reports prepared in accordance with the Corporations Act 2001. Significant accounting policies applied to the Historical Financial Information are set out in Section 7.9 under the heading ‘Significant Accounting Policies’.

The Historical Financial Information has been prepared for the purpose of the Offer.

7.3 Basis of preparation of the Pro Forma Financial Information

The Pro Forma Financial Information included in this Section 7 has been prepared for the purposes of inclusion in this Prospectus. The Pro Forma Financial Information is based on the reviewed Statement of Financial Position of the Group as at 30 June 2021 and adjusting for the impacts of the Offer and other pro forma adjustments.

The Pro Forma Financial Information does not reflect the actual financial results of the Group for the period indicated. The directors of the Group believe that it provides useful information as it illustrates to investors the financial position of the Group immediately after the Offer is completed and related pro forma adjustments are made.

The information set out in this Section 7 and the Company's selected financial information should be read together with:

- (a) the Risk Factors described in Section 8;
- (b) the Use of Funds described in Section 6.4;
- (c) the Indicative Capital Structure described in Section 6.5;
- (d) the Independent Limited Assurance Report on the Historical Financial Information set out in Annexure C; and
- (e) the other information contained in this Prospectus.

Investors should also note that historical results are not a guarantee of future performance.

7.4 Historical Consolidated Statement of Profit or Loss

	Year ended 30 June 2020	Period ended 31 December 2020	Year ended 30 June 2021
	Audited \$	Reviewed \$	Reviewed \$
Expenses			
Director's remuneration	171,000	90,000	150,000
Salaries and employee costs	144,300	114,750	198,272
Legal and professional	69,600	42,825	165,100
Office and communication	67,523	8,795	15,692
Listing and share registry	31,308	19,818	42,563
Depreciation	5,667	1,266	1,266
Other expenses	71,291	21,008	24,871
Total expenses	560,689	298,462	597,764
Recoveries to capitalise exploration	(200,300)	(99,200)	(205,400)
Other income	(26,371)	(15,799)	(392,708)
Loss (profit) before income tax	334,018	183,463	(344)
Total (profit)/loss	334,018	183,463	(344)

7.5 Historical Consolidated Statement of Cash Flows

	Year ended 30 June 2020	Period ended 31 December 2020	Year ended 30 June 2021
	Audited \$	Reviewed \$	Reviewed \$
Cash Flows from Operating Activities			
Payments to suppliers	(308,597)	(53,858)	(291,763)
Other income received	46	15,799	4
Net Cash Used in Operating Activities	(308,551)	(38,059)	(291,759)
Cash Flows from Investing Activities			
Payments for mineral exploration and evaluation	(497,270)	(175,488)	(625,202)
Net Cash Used in Investing Activities	(497,270)	(175,488)	(625,202)
Cash Flows from Financing Activities			
Share issues	671,000	340,278	1,089,000
Repayment of borrowings from related parties	(65,400)	(55,000)	(60,000)
Proceeds from borrowings from related parties	53,500	-	-
Proceeds from borrowings from non-related parties	158,800	-	-
Net Cash Provided by Financing Activities	817,900	285,278	1,029,000
Net increase in cash and cash equivalents	12,079	71,731	112,039
Cash and cash equivalents at beginning of the period	5,913	17,992	17,992
Cash and cash equivalents at the end of the period	17,992	89,723	130,031

7.6 Historical Consolidated Statement of Financial Position

	Year ended 30 June 2020	Period ended 31 December 2020	Year ended 30 June 2021
	Audited \$	Reviewed \$	Reviewed \$
Current Assets			
Cash and cash equivalents	17,992	89,723	130,031
Trade and other receivables	34,737	96,460	70,809
Total Current Assets	52,729	186,183	200,840
Non-Current Assets			
Plant and equipment	1,266	-	-
Exploration and evaluation	8,839,163	8,964,815	9,247,238
Total Non-Current Assets	8,840,429	8,964,815	9,247,238
Total Assets	8,893,158	9,150,998	9,448,078
Current Liabilities			
Trade creditors and accruals	(314,801)	(344,326)	(214,023)
Deferred creditors	(981,800)	(1,048,900)	-
Annual leave provision	-	(16,000)	(26,345)
Other provision	-	-	(22,622)
Related party loans	(100,000)	(45,000)	(40,000)
Total Current Liabilities	(1,396,601)	(1,454,226)	(302,990)
Non-Current Liabilities			
Long service leave provision	-	(43,400)	(49,527)
Total Non-Current Liabilities	-	(43,400)	(49,527)
Total Liabilities	(1,396,601)	(1,497,626)	(352,517)
Net Assets	7,496,557	7,653,372	9,095,561
Equity			
Contributed equity	14,944,446	15,284,724	16,543,107
Accumulated losses	(7,447,889)	(7,631,352)	(7,447,546)
Total Equity	7,496,557	7,631,352	9,095,561

7.7 Pro Forma Consolidated Statement of Financial Position

The table below sets out the pro forma adjustments that have been incorporated into the Pro Forma Consolidated Statement of Financial Position as at 30 June 2021. The pro forma adjustments reflect the financial impact of the Offer and other transactions as if they had occurred at 30 June 2021.

The Pro Forma Consolidated Statement of Financial Position is provided for illustrative purposes only and is not represented as necessarily indicative of the Company's view of the Group's financial position.

	Section reference	30 June 2021 Reviewed \$	Pro forma adjustments \$	Pro forma 30 June 2021 \$
Current Assets				
Cash and cash equivalents	7.10	130,031	2,614,974	2,745,005
Trade and other receivables		70,809	-	70,809
Total Current Assets		200,810	2,614,974	2,815,814
Non-Current Assets				
Exploration and evaluation		9,247,238	-	9,247,238
Total Non-Current Assets		9,247,238	-	9,247,238
Total Assets		9,448,078	-	12,063,052
Current Liabilities				
Trade creditors and accruals		(214,023)	-	(214,023)
Annual leave provision		(26,345)	-	(26,345)
Other provision		(22,622)	-	(22,622)
Related party loans		(40,000)	-	(40,000)
Total Current Liabilities		(302,990)	-	(302,990)
Non-Current Liabilities				
Long service leave provision		(49,527)	-	(49,527)
Total Non-Current Liabilities		(49,527)	-	(49,527)
Total Liabilities		(352,517)	-	(352,517)
Net Assets		9,095,561	2,614,974	11,710,535
Equity				
Contributed equity	7.11	16,543,107	2,299,802	18,842,909
Reserves	7.12	-	315,172	315,172
Accumulated losses		(7,447,546)	-	(7,447,546)
Total Equity		9,095,561	2,614,974	11,710,535

7.8 Pro forma adjustments

- (a) The one for one rights issue to existing shareholders of 361,033,779 ordinary fully paid shares issued at \$0.008 each raising \$2,888,270 before the expenses of the Offer. Refer to Sections 7.9, 7.10 and 7.11.

- (b) The write off against issued capital of the estimated cash expenses of the Offer of \$273,296. Refer to Sections 7.9, 7.10 and 7.11 for further details.
- (c) The write off against issued capital of the value of 75,000,000 Options, with an exercise price of \$0.02 and expiring 48 months from the date the Company lists on ASX, to be issued to the Lead Manager (or its nominees) in relation to the Offer. The fair value of these options is \$315,172. Refer to Section 7.11.

7.9 Significant Accounting Policies

(a) Basis of Preparation

This report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

(b) Going concern

The financial report has been prepared on the basis of accounting principles applicable to a going concern, which assumes the commercial realisation of the future potential of the Company's assets and the discharge of its liabilities in the normal course of business.

(c) Income tax

The charge for current income tax expenses is based on the result for the year adjusted for any non-assessable or disallowable items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance date.

Deferred tax is accounted for in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised, or liability is settled. Deferred tax is credited in the statement of comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(d) Principles of consolidation

A controlled entity is any entity controlled by Athena Resources Limited. Control exists where Athena Resources Limited has the capacity to dominate the decision making in relation to the financial and operating policies of another entity so that the other

entity operates with Athena Resources Limited to achieve the objectives of Athena Resources Limited.

All intercompany balances and transactions between entities in the consolidated entity, including any unrealised profit or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

Where controlled entities have entered or left the Group during a period, their operating results have been included from the date control was obtained or until the date control ceased.

(e) **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

(f) **Exploration and evaluation expenditure**

Exploration and evaluation expenditure incurred is either written off as incurred or accumulated in respect of each identifiable area of interest. Tenement acquisition costs are initially capitalised. Costs are only carried forward to the extent that they are expected to be recouped through the successful development of the areas, sale of the respective areas of interest or where activities in the area have not yet reached a stage, which permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full in the year in which the decision to abandon the areas is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Restoration, rehabilitation and environmental costs necessitated by exploration and evaluation activities are expensed as incurred and treated as exploration and evaluation expenditure.

(g) **Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and service tax (GST).

(h) **Trade and other payables**

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Due to their short-term nature, they are measured at amortised cost and are not discounted.

(i) **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expenses. Receivables and payables in the statement of financial position are shown inclusive of GST.

(j) **Contributed equity**

Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received. Unissued capital represents shares proposed to be issued to extinguish liabilities, specifically fees owing to directors and officers.

(k) **Share-based payments**

Equity settled transactions:

The Company provides benefits to employees (including senior executives) of the Company in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity settled transactions).

The cost of equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using the Black & Scholes option-pricing model. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Athena Resources Limited. The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Company's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of profit or loss and other comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, measured at the modification date.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and

designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Cash and cash equivalents

The reviewed pro forma cash and cash equivalents is set out below:

	Note	\$
Reviewed cash and cash equivalents as at 30 June 2021		130,031
<i>Pro forma adjustments:</i>		
Proceeds from shares issued under the Offer	7.8(a)	2,888,270
Cash issue costs payable as a result of the Offer	7.8(b)	(273,296)
Total pro forma adjustments		2,614,974
Pro forma cash and cash equivalents		2,745,005

7.10 Contributed equity

Contributed equity at 30 June 2021 comprises the following:

	Note	Number of shares	\$
Issued capital		361,033,779	15,975,907
Unissued capital		70,900,000	567,200
Total		792,067,558	16,543,107

The reviewed pro forma issued capital is set out below:

	Note	Number of shares	\$
Reviewed issued capital as at 30 June 2021		361,033,779	15,975,907
<i>Pro forma adjustments:</i>			
Issue of shares under the Offer	7.8 (a)	361,033,779	2,888,270
Costs associated with the Offer applied against issued capital	7.8 (b)	-	(273,296)
Issue of options to Lead Manager	7.8 (c)	-	(315,172)
Total pro forma adjustments		361,033,779	2,299,802
Total issued capital		722,067,558	18,275,709

The reviewed pro forma unissued capital is set out below:

	Note	Number of shares	\$
Reviewed unissued capital as at 30 June 2021		70,900,000	567,200
<i>Pro forma adjustments:</i>		-	-

Total unissued capital		70,900,000	567,200
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Pro forma contributed equity		792,967,558	18,842,909
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Prior to 30 June 2021, applications were received from Directors and Officers for 70,900,000 ordinary shares in conversion of outstanding fees. The issue of shares is subject to shareholder approval at a General Meeting, which is yet to occur.

7.11 Reserves

The reviewed pro forma reserves are set out below:

	Note	\$
Reviewed reserves as at 30 June 2021		-
<i>Pro forma adjustments:</i>		
Issue of options to Lead Manager	7.8(c)	315,172
Total pro forma adjustments		315,172
Pro forma reserves		315,172

The options to be issued to the Lead Manager are defined as share-based payments. The valuation of share-based payment transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted.

Valuation of Options issued to Lead Manager

The grant of 75,000,000 Options, with an exercise price of \$0.02 and expiring 48 months from the date the Company lists on the ASX, to the Lead Manager of the Offer has been determined to have a total fair value of \$315,172. Refer to sections 5.4.2 for further details regarding the Lead Manager Options. See below for the option valuation assumptions.

<i>The following assumptions were used to value the Lead Manager Options</i>	
Spot price at grant date	\$0.008
Exercise Price	\$0.02
Expected volatility	100%
Implied option life	4 years
Risk free rate	0.14%
Expected dividend yield	Nil

8. Risk Factors

8.1 Introduction

The Shares offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The future performance of the Company and the value of the Shares may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks that have a direct influence on the Company, its Project and activities are set out in the Investment Overview Section 4. Those key risks as well as other risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 8, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares. This Section 8 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 8, together with all other information contained in this Prospectus.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 8 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

8.2 Company specific risks

(a) Suspension and Delisting

On 13 August 2019, the Company's Shares were placed into suspension from trading by the ASX on the basis that the ASX considered that the Company did not have sufficient financial condition to satisfy ASX Listing Rule 12.2.

The ASX has since advised that it will only consider lifting the suspension if the Company satisfies the Reinstatement Conditions by 13 August 2021.

There can be no assurance that all the Reinstatement Conditions will be met within the required time period.

The Company does however intend to apply for an extension of the time required to complete the Reinstatement Conditions (refer to Section 3.3), however there is no guarantee that ASX will grant such extension.

If the Company does not, or is unable to, comply with the Reinstatement Conditions, the Company's Shares will not be reinstated to trading, and the Company will be removed from the official list of ASX.

If the Company is delisted, Shareholders will be unable to trade their Shares on the ASX and the Company will need to re-comply with the ASX's listing requirements for

its Shares to again become tradeable on the ASX. There can be no assurance that a relisting will be achievable in the near term or at all.

(b) Application for forfeiture

Alexander Creek Pty Ltd has objected to an application for exemption from expenditure made by the Company for E09/1507 and E09/1552 for the tenement year ending 22 October 2020 and has lodged applications for forfeiture of the tenements.

The Company believes it will be granted exemptions under its exemption applications, based on the grounds submitted, together with the level of expenditure in previous years for the project as a whole, and for the relevant year for which exemption is sought, and also the activities and plans for future exploration. If the exemptions are granted they will afford a complete defence to the applications for forfeiture.

(c) Tenement expiry

Some of the Company's Tenements are due to expire within the next 12 months.

E09/1507 and E09/1552 will expire on 22 October 2021. E09/1637 will expire on 22 March 2022 and E09/1938 will expire on 28 June 2022.

The Company will apply for a renewal of each of these Tenements. There is however no guarantee that these Tenements will be renewed upon application. The renewal of the term of granted tenements is subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements. The imposition of new conditions, or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

However, based on the work done to date on the Tenements and the proposed work to be carried out by the Company, as well as the expected grant of expenditure exemptions, the Company has formed the view that it does not foresee any reason why the Tenements will not be renewed.

(d) Future funding requirements

The funds raised by the Offer will be used to carry out the Company's objectives as detailed in this Prospectus. The Company's ability to raise further capital (equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary according to a number of factors, including prospectivity of projects (existing and future), the results of exploration, feasibility studies, development and mining, stock market and industry conditions and the price of relevant commodities and exchange rates. The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in the future. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations.

(e) Reliance on key personnel

The Company is reliant on its management. The loss of one or more of these individuals could adversely affect the Company. In addition, the Company's ability to manage growth effectively will require it to continue to implement and improve its

management systems and to recruit and train new employees and consultants. Although the Company expects to be able to do so in the future, there can be no assurance that the Company will be able to attract and retain skilled and experienced personnel and consultants.

(f) **Share liquidity and ASX listing**

Due to the size and nature of the Company, the liquidity of its Shares traded on the ASX (once reinstated) can be low. This could impact your ability to sell the Shares that you acquire or the prices at which you can sell your Shares. Under the ASX Listing Rules a listed company must maintain a spread of holdings which, in ASX's opinion, is sufficient to ensure that there is an orderly and liquid market in its securities. If a company is unable to maintain the required level of spread, ASX may suspend and eventually delist that company, which would materially adversely affect the ability of Shareholders to buy and sell shares.

(g) **Native title and Aboriginal Heritage**

In relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to Tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.

(h) **Litigation Risks**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, reputation, financial performance and financial position.

8.3 Industry Risks

(a) **Exploration, development, mining and processing risks**

Mineral exploration, project development and mining by their nature contain elements of significant risk. Ultimate and continuous success of these activities is dependent on many factors such as:

- (i) the discovery and/or acquisition of economically recoverable ore resources;
- (ii) successful conclusions to feasibility studies;
- (iii) access to adequate capital for project development;
- (iv) design and construction of efficient mining and processing facilities within capital expenditure budgets;
- (v) securing and maintaining title to tenements;
- (vi) obtaining consents and approvals necessary for the conduct of exploration and mining;

- (vii) access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants; and
- (viii) adverse weather conditions over a prolonged period, which can adversely affect exploration and mining operations and the timing of revenues.

(b) **Metallurgy**

Metal and/or mineral recoveries are dependent upon the metallurgical process, and by its nature contain elements of significant risk such as:

- (i) identifying a metallurgical process through testwork to produce a saleable product;
- (ii) developing an economic process route to produce a saleable product; and
- (iii) changes in mineralogy in the ore deposit can result in inconsistent ore grades and recovery rates, affecting the economic viability of the project.

(c) **Operational and technical risks**

The current and future operations of the Company, including exploration, appraisal and production activities may be affected by a range of factors, including:

- (i) geological, geotechnical and hydrogeological conditions;
- (ii) limitations on activities due to seasonal weather patterns;
- (iii) alterations to joint venture programs and budgets;
- (iv) unanticipated operational and technical difficulties encountered in survey, drilling and production activities;
- (v) electrical and mechanical failure of operating plant and equipment, industrial and environmental accidents, industrial disputes and other force majeure events;
- (vi) unavailability of aircraft or drilling equipment to undertake airborne surveys and other geological and geophysical investigations;
- (vii) the supply and cost of skilled labour;
- (viii) unexpected shortages or increases in the costs of power, water, consumables, diesel fuel, tyres, spare parts and plant and equipment; and
- (ix) prevention or restriction of access by reason of inability to obtain consents or approvals.

(d) **Title, tenure and access**

Generally, mining tenements which the Company (or any of its Related Bodies Corporate) holds or may acquire either by application, sale and purchase or farm-in are regulated by the applicable mining legislation. Various conditions may be imposed as a condition of grant. Renewal of mining tenements titles or licences is made by way of application to the relevant minister. There is no guarantee that a renewal will be automatically granted other than in accordance with the applicable

mining legislation. In addition, the relevant minister may impose conditions on any renewal, including relinquishment of ground.

(e) **Commodity price risk**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors. Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(f) **General environmental risks**

Failure to comply with applicable environmental laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing mining operations to cease or be curtailed, and may require the Company to implement corrective measures requiring capital expenditures, installation of additional equipment or remedial actions.

(g) **Climate risk**

There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:

- (i) the emergence of new or expanded regulations associated with the transitioning to a lower- carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and
- (ii) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

(h) **Resource and reserve estimates**

Resource and reserve estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates that are valid when made may change significantly when new information becomes available through drilling, sampling and similar examinations. In addition, resource and reserve estimates are necessarily

imprecise and depend to some extent on geological interpretations, as well as various economic, commercial, technical, environmental and legal assumptions which may prove to be inaccurate. Should the Company encounter mineralisation or formations different from those predicted, resource estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect the Company's operations.

8.4 General risk factors

(a) Economic conditions

The performance of the Company may be significantly affected by changes in both domestic and world economic conditions. Relevant factors include interest, inflation and exchange rates, changes in fiscal, monetary and regulatory policies and sovereign or political risk in each of the regions in which Athena operates.

(b) Global credit and investment markets

Global credit, commodity and investment markets have recently experienced a degree of uncertainty and volatility. The factors which have led to this situation have been outside the control of the Company and may continue for some time resulting in continued volatility and uncertainty in world stock markets (including ASX). This may impact the price at which the Company's securities trade regardless of operating performance and affect the Company's ability to raise additional equity and/or debt to achieve its objectives.

(c) Share market conditions

As the Company is a listed, the price at which its securities trade will be subject to the numerous influences that may affect both the broad trend in the share market and the share prices of individual companies and sectors. Investors should recognise that the price of Shares may fall as well as rise.

(d) Capital availability

Current economic conditions can impact on the availability of debt and equity funding that may be required to support the cash flow of a business. The Company's development may be affected by availability of funding which would impact on its ability to establish business operations in the expected time frame and/or at its current levels.

(e) Currently no market

As the Company is currently suspended from trading, there is currently no public market for the Company's Shares, the price of its Shares is subject to uncertainty and there can be no assurance that an active market for the Company's Shares will develop or continue after the Offer.

The price at which the Company's Shares trade on ASX after reinstatement may be higher or lower than the issue price of Shares offered under this Prospectus and could be subject to fluctuations in response to variations in operating performance and general operations and business risk, as well as external operating factors over which the Directors and the Company have no control, such as movements in mineral prices and exchange rates, changes to government policy, legislation or regulation and other events or factors.

There can be no guarantee that the price of the Shares will increase. There may be relatively few or many potential buyers or sellers of the Shares on ASX at any given time. This may increase the volatility of the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is above or below the price that Shareholders paid.

(f) **COVID-19 risk**

The outbreak of the coronavirus disease (**COVID-19**) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

In addition, the effects of COVID-19 on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders. The COVID-19 pandemic may also give rise to issues, delays or restrictions in relation to land access and the Company's ability to freely move people and equipment to and from exploration projects and may cause delays or cost increases.

The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. If any of these impacts appear material prior to close of the Offers, the Company will notify investors under a supplementary prospectus.

(g) **Taxation and government regulations**

Changes in taxation and government legislation in a range of areas (for example, the Corporations Act, the Foreign Acquisitions and Takeovers Act 1975 (including the Foreign Investment Policy), accounting standards, and taxation law) can have a significant influence on the outlook for companies and the returns to investors. The recoupment of taxation losses accrued by Athena from any future revenues is subject to the satisfaction of tests outlined in taxation legislation or regulations in the jurisdictions in which Athena operates. There is no guarantee that Athena will satisfy all of these requirements at the time it seeks to recoup its tax losses which may impact on the financial performance and cash flows of the Company.

8.5 Investment speculative

The risk factors described above, and other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Shares offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Shares.

Before deciding whether to subscribe for Shares under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

9. Board, Management and Corporate Governance

9.1 Directors of the Company

The Company's Board comprises of:

(a) **Hau Wan Wai– Executive Director**

Hau Wan Wai(John) graduated from The University of Regina Canada in 1998 with a Bachelor of Administration, Major in Marketing. John speaks Mandarin, Cantonese and English. He was born and resides in Hong Kong. John is the executive director of Brilliant Glory Industrial Corporation Ltd the Hong Kong company which is the largest shareholder (19.9%) of Athena. He is also a director of Brilliant Glory Investments Pty Ltd the wholly owned subsidiary of Brilliant Glory Industrial. He has over seventeen years of international trade and relations experience having started his career as a merchandiser. He specialises in management of overseas customers to locate the sourcing of materials for mainland China in many different fields, and especially in Mineral resources.

Mr Wai is responsible for the management of the Company.

The Board considers that Mr Wai is not an independent Director.

(b) **Edmond Edwards-Executive Director**

Mr Edwards is a Chartered Accountant with a Bachelor of Commerce from the University of Western Australia. He is a Fellow of The Australian Institute of Company Directors.

Mr Edwards has over 36 years of experience in the mining industry in Western Australia. He has previously been Managing Director or Finance Director of a number of listed mining and exploration companies having taken many of these companies through the initial public offering, then exploration, feasibility and finally into production. These companies include Taruga Gold Limited, Scotgold Resources Ltd, Resource Mining Corporation Ltd, Fox Resources Ltd, Aztec Resources Ltd, Acclaim Exploration NL and Matlock Mining NL.

Mr Edwards is responsible for the corporate management of the company.

The Board considers that Mr Edwards is not an independent Director.

(c) **Frank Knezovic – Non-Executive Director**

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.

The Board considers that Mr Knezovic is an independent Director.

(d) **David Wheeler – Non-Executive Director**

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:

- (1) Avira Resources Ltd (AVW) - Non-Executive Chairman
- (2) Blaze International Ltd (BLZ) - Non-Executive Chairman
- (3) Health House International Ltd (HHI) - Executive Chairman
- (4) Protean Wave Energy Ltd (POW) - Non-Executive Director
- (5) PVW Ltd (PVW) - Non-Executive Chairman
- (6) Ragnar Minerals Ltd (RAG) - Non-Executive Director
- (7) Tyranna Resources Ltd (TYX) - Non-Executive Director
- (8) Syntonic Ltd (SYT) - Non-Executive Director

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

The Board considers that Mr Wheeler is an independent Director.

9.2 Disclosure of interests

Remuneration

Details of the Directors' remuneration for the previous two completed and the current financial year (on an annualised basis) are set out in the table below:

Director	Remuneration for the year ended 2020	Remuneration for the year ended 2021	Proposed remuneration for year ending 2022 ⁴
Edmond Edwards	\$135,000	\$150,000	\$120,000
Hau Wan Wai	\$-	\$-	\$-
Frank Knezovic	\$-	\$-	\$48,000
David Wheeler	\$-	\$-	\$48,000

Notes:

1. Comprising cash salary and fees, superannuation and benefits.

Interests in Securities

As at the date of this Prospectus

Directors are not required under the Company's Constitution to hold any Shares to be eligible to act as a director. As at the date of this Prospectus, the Directors have relevant interests in securities as follows:

Director	Shares	Percentage (%)
Edmond Edwards ¹	38,128,831	10.56
Hau Wan Wai ²	43,000,000 ¹	11.91
Frank Knezovic	0	0
David Wheeler	0	0

Notes:

- The Shares are held by the following entities, of which Mr Edwards is also a director:
 - Tied Nominees Pty Ltd holds 38,073,831 Shares;
 - Tied Investments Pty Ltd holds 55,000 Shares
- The Shares are held by Brilliant Glory Industrial Corporation Limited. Hau Wan Wai is a director of Brilliant Glory Industrial Corporation Limited.

Post-completion of the Offer

The total number of Shares held by Directors post completion of the Offer (assuming that Shareholder approval is obtained for the Director and Officer Share Issue at the General Meeting and that those Shares are issued; assuming that Shareholder approval is obtained for the issue of Shortfall Shares to Mr Frank Knezovic and Mr David Wheeler and that the full amount of those Shortfall Shares are issued to Mr Frank Knezovic and Mr David Wheeler; assuming that Brilliant Glory Industrial Corporation Limited (being an entity associated with Hau Wan Wai) takes up its full Entitlement under the Offer; assuming that Edmond Edwards does not take up his Entitlement under the Offer and assuming no Options are exercised):

Director	Shares	Percentage (%)
Edmond Edwards ¹	69,378,831	8.75
Hau Wan Wai	86,000,000	10.85
Frank Knezovic	6,250,000	0.79
David Wheeler	6,250,000	0.79

Notes:

- 69,378,831 Shares comprised of:
 - 38,128,831 existing shares held by:
 - Tied Nominees Pty Ltd holds 38,073,831 Shares; and
 - Tied Investments Pty Ltd holds 55,000 Shares.
 - 31,250,000 Shares to be issued to Mr Edwards in satisfaction of Director fees outstanding, subject to shareholder approval at the General Meeting.

The Company's constitution provides that the remuneration of non-executive Directors will not in any year exceed in aggregate \$150,000 or such other amount as fixed by ordinary resolution. The aggregate remuneration for non-executive Directors is currently \$150,000 per annum.

The remuneration of any executive director that may be appointed to the Board will be fixed by the Board.

9.3 Agreements with Directors and related parties

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

The agreements between the Company and related parties are summarised in Section 10.3.

9.4 Corporate governance

(a) ASX Corporate Governance Council Principles and Recommendations

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted The Corporate Governance Principles and Recommendations (3rd Edition) as published by ASX Corporate Governance Council (**Recommendations**).

In light of the Company's size and nature, the Board considers that the current board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined in Annexure D and the Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website www.athenaresources.com.au.

(b) Departures from Recommendations

Under the ASX Listing Rules the Company is required to provide a statement in its annual financial report or on its website disclosing the extent to which it has followed the Recommendations during each reporting period. Where the Company has not followed a Recommendation, it must identify the Recommendation that has not been followed and give reasons for not following it.

10. Material Contracts

Set out below is a brief summary of the contracts to which the Company is a party and which the Directors have identified as material to the Company or are of such a nature that an investor may wish to have details of particulars of them when making an assessment of whether to apply for Shares.

To fully understand all rights and obligations of a material contract, it would be necessary to review the contract in full and these summaries should be read in this light.

10.1 Underwriting Agreement

The Company has entered into an underwriting agreement with CPS Capital (**Underwriter**) dated 23 June 2021 (**Underwriting Agreement**), pursuant to which CPS Capital has agreed to underwrite the Offer, the material terms and conditions of which are summarised below:

- (a) (**Underwriting**): CPS Capital 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 Securities**): The Company and CPS Capital agree that, provided the Underwriting Agreement is not validly terminated, Underwritten Shares will be allocated at CPS Capital's discretion to:
 - (i) Shareholders who have applied for Shortfall Securities and third-party investors who have been invited by the Company and CPS Capital 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;
 - (C) ensuring an appropriate Shareholder base for the Company; and
 - (ii) CPS Capital on the basis that valid applications will go in relief of the Underwritten Amount (being \$2,888,270) of CPS Capital.
- (c) (**Sub-Underwriter**): CPS Capital may procure such persons to sub-underwrite the Underwritten Shares as CPS Capital 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 Capital (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 Capital.
- (e) **(Underwriting fee):** The Company must pay to CPS Capital 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 Capital 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 Capital 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 Capital (including legal fees); reasonable accommodation and travelling expenses of CPS Capital 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 Capital 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 Capital's reasonable opinion has a Material Adverse Effect;
- (vi) **(Authorisation)**: 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 Capital 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 Capital 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 Capital believes (on reasonable grounds) that the outbreak or escalation is likely to result in any of the indexes stipulated in clause f(i) falling by the percentage contemplated by clause f(i);
 - (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 Capital 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 Capital 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 Capital 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 the Underwriting 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 Capital;
 - (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 Capital to exercise its rights under clause (f) unless, in the reasonable opinion of CPS Capital 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 Capital 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 Capital 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 Capital defaults under the Underwriting Agreement or any representation, warranty or undertaking given by the CPS Capital in the Underwriting Agreement is or becomes untrue or incorrect.

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

10.2 CPS Mandate

The Company also engaged CPS Capital to act as lead manager to the Placement (**Lead Manager Mandate**). The material terms and conditions of the engagement are summarised below:

- (a) (**Engagement, timing and allocation policy**): The Company agrees to appoint CPS Capital 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 Capital 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 Capital 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 Capital 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.
- (d) 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.

- (e) The right under item c(i) cannot be exercised without CPS Capital 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 Capital 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.

10.3 Agreements with Directors

10.3.1 Non-Executive Director Appointment Letter – Frank Knezovic

Frank Knezovic has entered into an appointment letter with the Company to act in the capacity of Non-Executive Director.

Mr Knezovic will receive remuneration of \$48,000 per annum pursuant to his appointment letter.

10.3.1 Non-executive Director Appointment Letter – David Wheeler

David Wheeler has entered into an appointment letter with the Company to act in the capacity of Non-Executive Director.

David Wheeler will receive remuneration of \$48,000 per annum pursuant to his appointment letter.

10.3.2 Consultancy Agreement with Tied Investments Pty Ltd - Edmond Edwards

The Company has entered into a consultancy agreement with Tied Investments Pty Ltd (**Tied**) dated 1 January 2021 pursuant to which Tied is engaged as a consultant and Mr. Edwards is to perform Executive Director services at a fee of \$10,000 per month for 50 hours (additional hours \$180 per hour).

10.3.3 Deeds of indemnity, insurance and access

The Company has entered into deeds of indemnity, insurance and access with each of the Directors. Under these deeds, the Company has agreed to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company. The Company will also be required to maintain insurance policies for the benefit of the relevant officer and allow the officers to inspect board papers in certain circumstances.

11. Additional Information

11.1 Continuous Disclosure Obligations

The Company is a “disclosing entity” (as defined in Section 111AC of the Corporations Act) for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Not all information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act, states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in Section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in Section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged with ASX since the date of lodgement of the Company’s latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Title
01/07/2021	FLTEM Survey Commencement
30/06/2021	Final Director's Interest Notice
30/06/2021	Director Appointment/Resignation
30/06/2021	Initial Director's Interest Notice
30/06/2021	Initial Director's Interest Notice

Date	Title
30/06/2021	Director Appointment
30/06/2021	Director Appointment/Resignation
30/06/2021	Change in substantial holding
30/06/2021	Notice of General Meeting/Proxy Form
30/06/2021	Half Yearly Report and Accounts
29/06/2021	Change in substantial holding
29/06/2021	Change in substantial holding
29/06/2021	Ceasing to be a substantial holder
29/06/2021	Becoming a substantial holder
29/06/2021	Application for quotation of securities - AHN
25/06/2021	Placement to Raise \$304,000
25/06/2021	Proposed issue of securities - AHN
23/06/2021	Capital Raisings, Debt Restructure and ASX Reinstatement
28/05/2021	Change of Registered Office
14/05/2021	Appendix 2A
14/05/2021	Placement to Raise \$240,000
14/05/2021	Proposed issue of Securities - AHN
03/05/2021	Quarterly Activities Report
03/05/2021	Quarterly Cashflow Report
06/04/2021	Appendix 2A
06/04/2021	Proposed issue of Securities - AHN
06/04/2021	Placement to raise \$100,000
23/03/2021	Base Metal Review
16/03/2021	Half Yearly Report and Accounts
19/02/2021	Appendix 2A
19/02/2021	Placement to Raise \$100,000
19/02/2021	Proposed issue of Securities - AHN
05/02/2021	Objections to Application for Exemption from Expenditure
01/02/2021	Quarterly Activities Report
01/02/2021	Quarterly Cashflow Report
30/12/2020	Appendix 2A
30/12/2020	Appendix 3B
30/12/2020	Proposed issue of Securities - AHN
02/12/2020	New Constitution
27/11/2020	Results of Meeting
02/11/2020	Quarterly Cashflow Report
02/11/2020	Quarterly Activities Report
26/10/2020	Notice of Annual General Meeting/Proxy Form
01/10/2020	Corporate Governance 2020
01/10/2020	Appendix 4G
01/10/2020	Full Year Statutory Accounts

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

11.2 Litigation

Other than as noted in section 8.2(b), the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

11.3 Rights attaching to Shares

The following is a summary of the more significant rights attaching to Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares held has a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the share. Amounts paid in advance of a call or amounts credited on a partly paid share without payment in money or money's worth being made to the Company are ignored when calculation the proportion.

(c) Dividend rights

Subject to the law, the Constitution and the terms of issue of Shares, the Board may resolve to pay any dividend it thinks appropriate and fix the time for payment.

Subject to the terms of issue of Shares, the Company may pay a dividend on 1 class of Shares to the exclusion of another class. Subject to rule 27.5 of the Constitution, each Share of a class on which the Board resolves to pay a dividend carries the right to participate in a dividend in the same proportion that the amount for the time being paid on the Share bears to the total issue price of the Share. .

No member may claim, and the Company must not pay, interest on a dividend (either in money or kind).

The Board may set aside out of profits reserves to be applied, at the Board's discretion, for any purpose it decides and use any sum so set aside in the business of the Company or invest it in investments selected by the Board and vary and deal with those investments as it decides.

The Company in general meeting may by ordinary resolution authorise the Board to implement one or more of:

- (i) a dividend re-investment plan under which any dividend or other cash payment in respect of a share may, at the election of the member entitled to it, be:
 - (A) retained by the Company and applied in payment for fully paid Shares issued under the plan; and
 - (B) treated as having been paid to the member as a dividend and simultaneously re-paid by the member to the Company to be held by it and applied in accordance with the plan; or
- (ii) any other plan under which members may elect that dividends or other cash payments in respect of shares be satisfied by the allotment of further shares, or that issues of further shares be made in place of dividends.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the sanction of a special resolution:

- (i) divide the assets of the Company among the members in kind;
- (ii) for that purpose fix the value of assets and decide how the division is to be carried out as between the members and different classes of members; and
- (iii) vest assets of the Company in trustees on any trusts for the benefit of the members as the liquidator thinks appropriate.

(e) **Shareholder liability**

As the Shares under the Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of Shares**

Generally, Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the ASX Listing Rules.

(g) **Variation of rights**

Pursuant to section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If the Company issues different classes of shares, or divides issued shares into different classes, the rights attached to shares in any class may (subject to sections 246C and 246D) be varied or cancelled:

- (i) with the written consent of the holders of a majority of the issued shares of the affected class; or
- (ii) by ordinary resolution passed at a meeting of the holders of the issued shares of the affected class.

Subject to the terms of issue of shares, the rights attached to a class of shares are not treated as varied by the issue of further shares of that class.

(h) **Alteration of Constitution**

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

11.4 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
 - (iii) the Offers,
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:
- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offer.

11.5 Interests of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:

- (i) its formation or promotion; or
- (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (a) the formation or promotion of the Company; or
- (b) the Offer.

HLB Mann Judd (WA Partnership) has acted as Investigating Accountant and has prepared the Independent Limited Assurance Report which is included in Annexure C. The Company estimates it will pay HLB Mann Judd (WA Partnership) a total of \$7,500 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, HLB Mann Judd (WA Partnership) has not received fees for any other services except audit services as noted below..

HLB Mann Judd (WA Partnership) has acted as auditor to the Company. The Company estimates it will pay HLB Mann Judd (WA Partnership) a total of \$20,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus. HLB Mann Judd (WA Partnership) has received \$41,350 fees for the Company for audit services.

Geomin Services Pty Ltd has acted as Independent Geologist and has prepared the Independent Geologist Report which is included in Annexure A. The Company estimates it will pay Geomin Services Pty Ltd a total of \$20,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Geomin Services Pty Ltd has not received fees from the Company for any other services.

CPS Capital has acted as Underwriter to the Offer and will receive 6% of the total amount raised under the Prospectus (plus GST) following the successful completion of the Offer for its services as Underwriter. Further details in respect to the Underwriting Agreement are summarised in Section 10.1. During the 24 months preceding lodgement of this Prospectus with the ASIC, CPS Capital has received \$12,160 placement fee and \$6,080 management fee from the Company for these services.

House Legal Pty Ltd has acted as the Company's mining solicitors and has prepared the Solicitor's Report on Tenements which is included in Annexure B of this Prospectus. The Company estimates it will pay House Legal a total of \$5,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, House Legal has not received fees from the Company for any other services.

Nova Legal has acted as the Australian legal advisers to the Company in relation to the Offer. The Company estimates it will pay Nova Legal \$45,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Nova Legal has received \$50,429.92 (incl. GST & disbursements) in legal fees from the Company.

Computershare Investor Services Pty Limited (**Computershare**) has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to the processing of Entitlement and Acceptance Forms pursuant to this Prospectus. References to Computershare appear for information purposes only. Computershare has not been involved in, authorised or caused the issue of the Prospectus.

11.6 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Shares), the Directors, any persons named in the Prospectus with their consent as proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Geomin Services Pty Ltd has given its written consent to being named as Independent Geologist in this Prospectus and the inclusion of the Independent Geologist's Report in Annexure A, in the form and context in which the report is included and the inclusion of statements in the Importance Notice Section, Section 4 (Investment Overview), Section 6 (Company and Project Overview) and Section 11.5 (Interests of Experts and Advisers) and Section 11.6 (Consents) in the form and context which those statements are included. Geomin Services Pty Ltd has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

House Legal Pty Ltd has given its written consent to being named as the Company's mining solicitors in this Prospectus and the inclusion of the Solicitor's Report on the Tenements which is included in Annexure B to this Prospectus in the form and context in which it appears and the inclusion of the statements in section 11.5 (Interests of Experts and Advisers) and Section 11.6 (Consents) in the form and context in which those statements are included. House Legal Pty Ltd has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

HLB Mann Judd (WA Partnership) has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Independent Limited Assurance Report in Annexure C in the form and context in which the information and report is included and to the inclusion of the statements contained in Section 4 (Investment Overview), Section 7, (Financial Information), Section 11.5 (Interests of Experts and Advisers) and Section 11.6 (Consents) in the form and context in which those statements are included. HLB Mann Judd (WA Partnership) has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

HLB Mann Judd (WA Partnership) has given its written consent to being named as auditor of the Company in this Prospectus and the inclusion of the audited financial information of the Company contained in the Independent Limited Assurance Report, included in Annexure C to this Prospectus in the form and context in which it appears and to the inclusion of the audited financial information contained in Section 4 (Investment Overview), Section 7, (Financial Information), Section 11.5 (Interests of Experts and Advisers) and Section 11.6 (Consents) in the form and context in which those statements are included. HLB Mann Judd

(WA Partnership) has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

Nova Legal has given its written consent to being named as the Australian legal advisers to the Company in relation to the Offer in this Prospectus Section 11.5 (Interests of Experts and Advisers) and Section 11.6 (Consents) in the form and context in which those statements are included. Nova Legal has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

CPS Capital has given its written consent to being named as Underwriter to the Company in this Prospectus as well as to the inclusion of the statements contained in Section 4 (Investment Overview), Section 5.4 (Shortfall and Allocation Policy) Section 5.4.2 (Underwriting), Section 10 (Material Contracts), Section 11.5 (Interests of Experts and Advisers) and 11.6 (Consents) in the form and context in which they appear .

Computershare Investor Services Pty Limited has given its written consent to being named as the share registry to the Company in this Prospectus and the inclusion of the statements in Section 11.5 (Interests of Experts and Advisers) and Section 11.6 (Consents) in the form and context in which they appear. Computershare has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

11.7 Expenses of the Offers

The total expenses of the Offers (excluding GST) are estimated to be approximately \$273,296 and are expected to be applied towards the items set out in the table below:

Item of Expenditure	\$
Fixed fees	
Underwriting fee (6%)	173,296
ASX listing fee for new shares	10,626
ASIC lodgement fee	3,206
Estimated fees	
Legal fees	45,000
Independent Geologist	20,000
Solicitor's Report	5,000
Independent Limited Assurance Report	7,500
Share Registry, distribution and miscellaneous	8,668
Total Expenses	273,296

12. Directors' Authorisation

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

A handwritten signature in blue ink, appearing to read 'Eds', followed by a long horizontal stroke.

Edmond Edwards
Executive Director
For and on behalf of
Athena Resources Limited

13. Glossary

Where the following terms are used in this Prospectus they have the following meanings:

\$ means an Australian dollar.

Additional Share Issues has the meaning given to it in section 5.5.

ASIC means Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the official listing rules of ASX.

Board means the board of Directors as constituted from time to time.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Byro Project has the meaning set out in Section 6.1.

Capital Raisings has the meaning set out in Section 3.

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement.

Closing Date means the closing date of the Offer as set out in the indicative timetable in the Key Offer Information Section (subject to the Company reserving the right to extend the Closing Date or close the Offer early).

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

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

CPS Capital means CPS Capital Group Pty Ltd (ACN 088 055 636)

Director and Officer Share Issue has the meaning contained in Section 3.2.

Directors means the directors of the Company at the date of this Prospectus.

Eligible Shareholder means a Shareholder as at the Record Date who is eligible to participate in the Rights Issue Offer.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Rights Issue Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Exploration Program and Budget is the exploration program and budget set out in Annexure A.

General Meeting has the meaning given in Section 3.2.

Goldway has the meaning given in Section 3.2.

Goldway Share Issue has the meaning given in Section 3.2.

JORC Code has the meaning given in the Important Notice Section.

Lead Manager Mandate means the agreement with CPS Capital to act as lead manager to the Placement summarised in Section 10.2.

Official List means the official list of ASX.

Official Quotation means official quotation by ASX in accordance with the ASX Listing Rules.

Option means an option to acquire a Share.

Placement has the meaning contained in Section 3.

Placement Share Issue has the meaning contained in Section 3.2.

Prospectus means this prospectus.

Recommendations has the meaning set out in Section 9.4.

Record Date means the date specified in the proposed timetable set out at Section 1.

Reinstatement Conditions has the meaning set out in Section 3.3.

Reinstatement Conditions Deadline has the meaning set out in Section 3.3.

Rights Issue has the meaning set out in Section 3.

Rights Issue Offer or the **Offer** means an offer for a non-renounceable entitlement issue of one (1) Share for every one (1) Share held by those Shareholders registered at the Record Date at an issue price of \$0.008 per Share to raise up to \$2,888,270.

Section means a Section of this Prospectus.

Securities means Shares and/or Options.

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

Shareholder means a holder of Shares.

Shortfall Offer means the offer of the Shortfall Shares on the terms and conditions set out in Section 5.4.

Shortfall Shares means those Shares not applied for under the Offer (if any) and offered pursuant to the Shortfall Offer.

Tenements means the mining tenements in which the Company has an interest as described in the Independent Geologist Report at Annexure A and the Solicitor's Tenement Report at Annexure B or any one of them as the context requires.

Underwriter means CPS Capital Group Pty Ltd (ACN 088 055 636).

Underwriting Agreement has the meaning given to it in Section 10.1.

WST means Western Standard Time as observed in Perth, Western Australia.

Annexure A – Independent Geologist Report

GEOMIN SERVICES PTY LTD

INDEPENDENT GEOLOGIST REPORT

On the Basemetal and Industrial Magnetite Projects of Athena Resources at Byro Western Australia

14 July 2021

The Directors,
Athena Resources Limited,
Level 2, 46-50 Kings Park Road,
West Perth,
Perth, 6005

Dear Sirs

Independent Geologist Report on the Mineral Assets of Athena Resources Limited

Geomin Services Pty Ltd ("**Geomin**") has been engaged by Athena Resources Limited ("**Athena**" or the "**Company**") to prepare an Independent Geological Report ("**the Report**") on properties located in the Byro area of the Gascoyne Mineral Field of Western Australia which are owned by Complex Exploration Pty and Byro Exploration Pty Ltd, fully owned subsidiaries of Athena Resources Limited.

The Report is to be included in a Prospectus ("**the Prospectus**") to be lodged with the Australian Securities & Investments Commission ("**ASIC**"), on or about 15 July 2021, pursuant to Section 710 of the Corporations Act (2000) in relation to a proposed capital raising. The majority of the funds raised will be used for further exploration and evaluation of the mineral properties, and ongoing working capital.

This review is based upon information provided by the Company, along with technical reports by consultants, relevant published and unpublished data for the exploration properties, and personal knowledge of the areas by the Independent Geologist. A listing of the principal sources of information is included in this Report. Geomin has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy and completeness of the technical data upon which this Report is based.

This Report has been prepared in accordance with the Code and Guidelines for Assessment and Valuation of Mineral Assets and Mineral Securities for Independent Expert Reports ("**VALMIN Code**") and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("**JORC Code**") December 2012 edition, and the rules and guidelines issued by such bodies as the ASIC and the Australian Securities Exchange ("**ASX**") which pertain to Independent Expert Reports. The Report complies with section 716(2) of the *Corporations Act 2001* (Cth) where consent is required if statements have been attributed to third parties.

In consideration of the definition provided by the ASX and in the JORC Code, these properties are a mix of *early-stage and mid-stage exploration projects*, which are inherently speculative in nature. The properties are considered to be sufficiently prospective, subject to varying degrees of risk, to warrant further exploration and development of their economic potential, consistent with the programmes proposed by Athena. Mineral Resources estimated in accordance with JORC 2012 guidelines have not previously been reported for the Projects included in this Report. Mineral Resource estimates in accordance with JORC 2004 are included in this Report, and have not been up-graded to JORC 2012 as there have been no material change in facts.

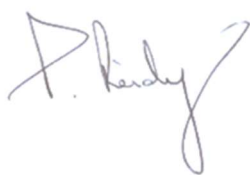
The Company has prepared staged exploration programmes, specific to the exploration potential of the individual licences, which are consistent with its budget allocations. It is considered that the Projects are sufficiently prospective to justify the proposed programmes and expenditure. The proposed exploration and development budgets exceed the minimum annual statutory expenditure requirement on the exploration properties.

This Independent Geologist Report has been compiled based on, and fairly represents, information and supporting documentation available up to and including the date of this Report. The information in this Report that relates to Exploration Results is based on information compiled by Dr Dennis Gee who is a consultant to Geomin. Dr Gee is a member of the Australian Institute of Geoscientists. Dr Gee has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code. Dr Gee has 56 years of relevant experience in the Technical Assessment of Mineral Properties.

Dr Gee consents to the inclusion in the Report of the matters based on his information in the form and context in which it appears.

Dr Dennis Gee, Geomin and its employees are not, nor intend to be, Directors, officers or other direct employees of the Company. The relationship with the Company is solely one of professional association between client and independent consultant. The review work and this Report are prepared in return for professional fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of this Report.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'P. Reidy', with a stylized flourish at the end.

Paddy Reidy,

Director

For and on behalf of:

Geomin Services Pty Ltd

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SUMMARY OF PROJECTS

Athena Resources has two mineral exploration and development projects in the Byro area of the Gascoyne Mineral Field of Western Australia. They occur in the high-grade metamorphic Archaean rocks of the Narryer Terrane within the northwest margin of the Yilgarn Craton. Rock assemblages include gneiss, migmatite, quartzite-banded iron formation and mafic-ultramafic intrusions, similar in geological setting to other high-grade metamorphic terranes that host the emerging Cu-Ni-PGE province at the Julimar Project under development by Chalice Mining Limited (ASX: CHN).

The *Byro Basemetal Project* is focussed on mafic-ultramafic bodies that may relate both to the ancient Manfred Layered Complex, and later gabbroic intrusions. Specifically, the Milly Milly Body has strong nickel and copper soil anomalies, highly anomalous rock chips on both its western and eastern contacts, and Ni-sulphide magmatic disseminations, established from limited RC drilling. Moreover litho-geochemical signatures show elevated basemetal and PGE signatures along with sulphur undersaturation. Several historic EM anomalies have not been effectively drilled, and new targets have been generated using more modern EM techniques that have been successful in finding blind Ni-Cu orebodies elsewhere in metamorphic terrains. Similarly, EM and geochemical anomalies define the regolith-covered Moonborough Prospect that is interpreted to be another mafic-ultramafic body. Two other such bodies may also exist in the area. Athena also has parts of yet another mafic-ultramafic body – the Imagi “Intrusion” which has previously been shown to be fertile for PGEs.

The *Byro Industrial Magnetite Project* relates to the resisters of coarse-grained metamorphosed BIF, which are uniquely devoid of iron-silicate minerals and other contaminants, and thus provide quality feedstock for magnetite iron ores. Davis tube recoveries “DTR” of drill material demonstrate that a high-quality magnetite concentrate can be produced at grind sizes much coarser than any other known magnetite deposit in Western Australia. This gives technical and financial advantages over other magnetite projects. Magnetite concentrates produced from extensive low-intensity magnetic separation “LIMS” tests fall into the category of High Purity and Super High Purity industrial magnetite, which has multiple industrial and speciality uses. Athena is therefore evaluating a development focussed primarily on the industrial metal market, with the project termed the *Byro Industrial Magnetite Project*.

Athena Resources has proposed work programs and budgets for both projects. The Byro Industrial Magnetite Project will aim to generate 40 million tonnes of Mineral Resources estimated in accordance with JORC 2012 guidelines, and obtain further ore characterisation data for a formal pre-feasibility study. It will include 11 DD/RC drill holes, for which \$533,811 has been budgeted. Future mid-term costs to deliver a comprehensive Pre-feasibility study of the Byro Industrial Magnetite Project are estimated at \$2.46M.

Development at the Byro Basemetal Project will include an 18-hole RC drilling program targeting EM anomalies that have been sharpened by recently completed high-powered MLTEM surveys with SQUID sensors. Budget costs are \$626,000.

A longer-term budget has been proposed by Athena, which the independent Geologist considers that this is a well-conceived program.

1. INTRODUCTION

1.1 Terms of Reference

Geomin Services Pty Ltd (ACN 623 624 251) ("**Geomin**") has been engaged by Athena Resources Limited (ABN 69 113 758 900) to prepare an Independent Geological Report ("**the Report**") on the Byro Projects in the Gascoyne Mineral Field of Western Australia. Athena has been listed on the Australian Securities Exchange ("**ASX**") since 2006 but its securities are currently suspended from trading on the ASX.

This Report is to be included in a Prospectus ("**the Prospectus**") to be lodged with ASIC for a non-renounceable entitlement offer of Shares by the Company. This report reviews exploration and assessment programs proposed by Athena and comments on their appropriateness.

This Report has been prepared in accordance with the Code and Guidelines for Assessment and Valuation of Mineral Assets and Mineral Securities for Independent Expert Reports ("**VALMIN Code**") and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("**JORC Code**") December 2012 edition, and the rules and guidelines issued by such bodies as the Australian Securities and Investment Commission ("**ASIC**") and the Australian Securities Exchange which pertain to Independent Expert Reports.

The legal status of the tenure of the mineral assets has not been independently verified by Geomin, other than to ascertain the tenements are recorded on the latest spatial datasets of Department of Mines, Industry Regulation and Safety ("**DMIRS**"). The Report has been prepared on the assumption that the tenements will prove lawfully accessible for evaluation and development.

This Independent Geologist Report has been compiled based on, and fairly represents, information and supporting documentation available up to and including the date of this Report. Geomin has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy and completeness of the technical data upon which this Report is based. The information in this Report that relates to Exploration Results is based on information compiled by Dr Dennis Gee who is a consultant to Geomin (see qualifications, experience and independence below).

Consent has been given for the distribution of this Report in the form and context in which it appears.

1.2 Qualifications, Experience and Independence

Geomin is an independent, privately owned consulting firm which has provided exploration, mining and Mineral Resource consulting services to the minerals industry since 2018.

Mr Paddy Reidy MSc (Mineral and Energy Economics), BA (Hons, Geology) is the Director of Geomin with over 25 years experience in the Australian and International resource sector. Mr Reidy has extensive experience in project management, scoping and feasibility studies, project review, mineral asset valuation and mineral resource estimation across a wide range of commodities.

Dr Dennis Gee is the author of this Independent Geologists Report, and has over 56 years of professional experience as a geologist. He holds the degrees of BSc (First Class Hons) and PhD from the University of Tasmania, is a long-standing member of the Australian Institute of Geoscientists, and is a Graduate of the Australian Institute of Company Directors.

On graduation he worked for nine years with the Tasmanian Mines Department before joining MIM subsidiary Carpentaria Exploration Company based in Kalgoorlie. In 1972 he took up the position of Supervising Geologist with the Geological Survey of Western Australia ("**GSWA**") guiding the completion of 1:250 000-scale geological mapping of the State, and later became Deputy Director of GSWA. In 1986 he took up the position of Technical Director of Reynolds Australia Metals, representing the owner's participation in JV operations at Boddington, Mount Gibson and Marvel Loch gold mines, as well as responsibility for gold exploration in WA, NT and Qld. After withdrawal of Reynolds Metals from Australia he became Regional Exploration Manager for Mount Isa Mines subsidiary MIMEX. His

subsequent positions were as Director of the Northern Territory Geological Survey and CEO of the Cooperative Research Centre for Landscape Environments and Mineral Exploration attached to CSIRO.

For the last 15 years he has been consulting to listed exploration companies and private syndicates on a range of commodities including gold, copper, zinc, vanadium, iron ore, heavy mineral sands, coal, potash and geothermal energy. He has held directorships with ASX-listed companies.

Information in this Report that relates to Technical Assessment and Valuation of Mineral Assets is compiled by Dr Gee, a Member of the Australian Institute Geoscientists. He has sufficient experience to qualify as a Practitioner as defined in the 2015 edition of the Australasian Code for the Public Reporting of Technical Assessments and Valuations of Mineral Assets.

Dr Gee has sufficient experience relevant to the style of mineralisation and types of deposits under consideration, to qualify as an Expert and Competent Person as defined under the VALMIN Code, and in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (“**JORC Code**”).

Neither Dr Gee nor Geomin are, or intend to be a director or employee of the Company.

This Report is made in return for professional fees based upon agreed commercial rates.

Dr Gee consents to the inclusion in the Report of the matters based on his information in the form and context in which it appears.

1.3 Principal Sources of Information

This review is based on the information provided by the Company, and on the extensive open-file West Australian mineral exploration reports (“**WAMEX**”) of the areas, along with the published geoscientific datasets and reports issued by Geological Survey of Western Australia (“**GSWA**”). Also the annual technical reports of the company, together with the digital data submissions have been reviewed. This information has been synthesized using the Independent Geologist’s extensive professional experience and knowledge of the geological terrains of Western Australia.

The status of agreements, royalties or tenement standing pertaining to the assets was not investigated.

During the production of this report, the Independent Geologist spent 2 days on-site at Byro in the company of Athena Exploration Manager Mr Liam Kelly to review recent exploration developments, and to view all prospective areas and existing drill collars. The Independent Geologist has viewed selected drill cores and certificates of analyses from analytical laboratories. The Independent Geologist has no equity in the project, or any of the involved corporate entities.

The author has endeavoured, by exercising reasonable due diligence along with other associated enquiries, to confirm the authenticity and completeness of the technical data upon which this Report is based. Specifically the Independent Geologist has sighted a representative selection of analytical certificates, and has read all of the relevant consultants reports. Athena was given a final draft of this Report and requested to identify any material errors or omissions prior to its final lodgement.

1.4 Location and Access

The projects are located in the Murchison Shire in the central part of Gascoyne Mineral Field, on the Byro 1:250,000 Sheet. Access from the Port of Geraldton is via Mullewa and then on the Mullewa-Gascoyne Junction Road. Byro Homestead is 298 road kms from Mullewa. The Athena tenements, (bright red), main road network (light blue) and Shire boundary (crimson), main feed gas pipeline (solid green), and the formerly proposed but now-dormant rail-link proposal (dashed green), are shown in Figure 1.

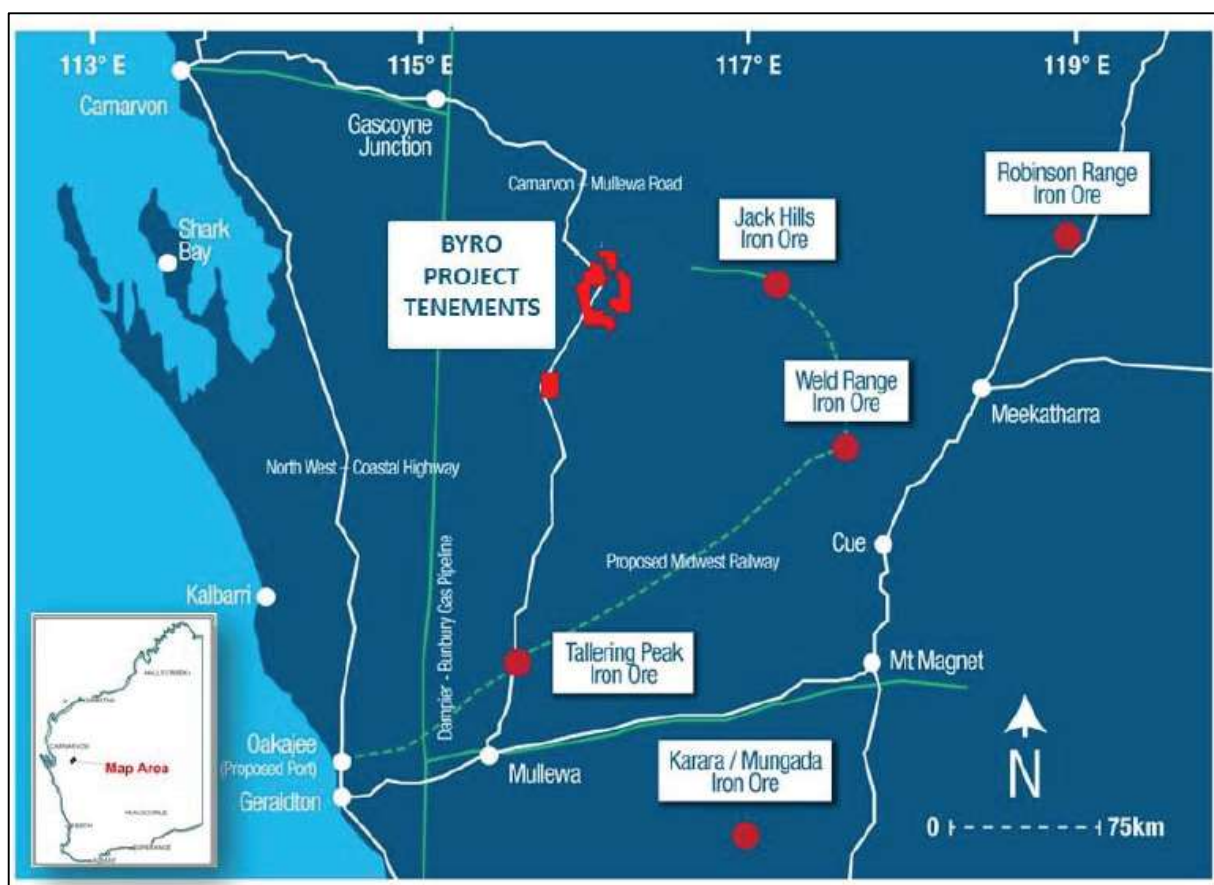


Figure 1 Geographic Location of Byro Projects

2. TENURE

The projects of Athena are based on four near-conterminous exploration licences (“ELs”) around Byro Homestead, including an enclosed mining lease (Table 1). In addition, an EL occurs 65km to the southwest near Mt Narryer Homestead. The tenements are in the name of Complex Exploration Pty Ltd and Byro Exploration Pty Ltd, both being subsidiaries of Athena. The tenements are subject to Group reporting.

Tenement	Area km ²	End Date	Project	Group Report No
E9/1552	33.97	22/10/20121	Think Big	C51/2010
E9/1637 (south)	37.32	22/0302022	FE1	
includes M9/166	(6.73)			
E9/1637 (north)	37.03		Milly Milly	
E9/1507	222.15	22/10/2021	Moonborough	
E9/1781	49.31	13/04/2023	Whistlejack, Whitmark, Byro South	C48/2011
E9/1938	33.99	28/06/22	Narryer	
Includes M9/168	(7.37)			
Total	413.77			

Table 1: Tenement schedule of Athena Resources Limited

3. GEOLOGICAL SETTING OF ATHENA PROJECTS

The tenements of Athena lie in the Narryer Terrain which is composed of ancient gneiss and high-grade (granulite-facies) metamorphics in the northwest corner of the Archaean Yilgarn Craton. It is bounded to the north by the Proterozoic Erabiddy Shear Zone, and to the west by the Darling Fault which forms the entire western boundary of the Yilgarn Craton. Its southeastern boundary with the characteristic Archaean granite-greenstone terranes of the Yilgarn Craton is a complex accretion boundary. The entire Narryer Terrane is subsequently deformed by thrusts relating to the collision of the Proterozoic orogenic belts from the north.

In recent decades the Narryer Terrane has been the object of intense geological investigations, on account of it having the world's oldest rocks and the widespread distribution of zircon mineral grains of great antiquity – circa 4.4Ga. More recently it has come under intense exploration interest on account of its geological similarity with the gneissic metamorphics and intrusive bodies of the emerging Cu-Ni-PGE mineral province at Julimar and Yarrowindah.

The oldest component of the Narryer Terrane is a layered ultramafic-gabbro-anorthosite intrusive complex known as the Manfred Complex of age 3,730Ga (Rowe 2016, Occhipinti 2001). It was intruded into sialic crust of unknown nature, evidenced by 4.4Ga zircon grains that report as xenocrysts in anorthosite and as detrital grains in later meta-sedimentary greenstones at Jack Hills (Compston and Pidgeon 1986, Spaggiari et al 2007). The Manfred Complex is now expressed as dismembered segments scattered throughout the subsequently emplaced gneissic migmatite rocks, which include the Meeberrie Gneiss (3,650-3,620Ga) and the Dugal Gneiss (3,300 – 3,385Ga), and related granitic phases (Myers and Williams 1985, Myers 1988b, Kinny et al 1988). These magmatic events were accompanied by deformation and amphibolite-granulite facies metamorphism (Kinny et al 1988, Myers 1988a, Nutman et al 1993, Pidgeon and Wilde 1998). These gneissic terranes formed the basement upon which was deposited supracrustal sedimentary sequences containing banded iron formations (BIF), ultramafic and mafic volcanics, and siliciclastic sediments. The remnant quartzite and BIF bars scattered profusely throughout the reworked gneisses of the Byro area probably relate to this supracrustal event (Compston and Pidgeon 1986, Maas and McCulloch 1991). The later reworking event is related to emplacement of gneissic granite sheets and intrusion of gabbro bodies in the period 2750Ga – 2700Ga.

Tectonic Magmatic episode	Age Ga	Metallogeny
Pan Yilgarn granite sheets and plutons	2650-2600	
Gabbro intrusions (chonoliths)	2750-2650	Cu-Ni-PGE
Mets-sediments, quartzite, BIF	3280 - 2700	Fe
Dugal Gneiss	3300 - 3385	
Meeberrie Gneiss	3650 - 3620	
Manfred Complex	3730	Cu-Ni-PGE-Cr
Ancient basement	4400 - 3750	

Table 2: Tectonic history of the Narryer Terrane

There is strong similarity of the lithological components and geological evolution of the Narryer Terrane with the Imperdip Metamorphic Belt of the Western Gneiss Terrane, which host the newly-discovered Cu-Ni PGE deposits at Julimar. The association of BIF, quartzite, ultramafic layers, layered mafic-ultramafic intrusions, and late gabbro intrusions (chonoliths), is common to both terranes. This similarity with Julimar is recognised by Athena Resources, and is reflected in the Basemetal Project which complements the Industrial Magnetite Project.

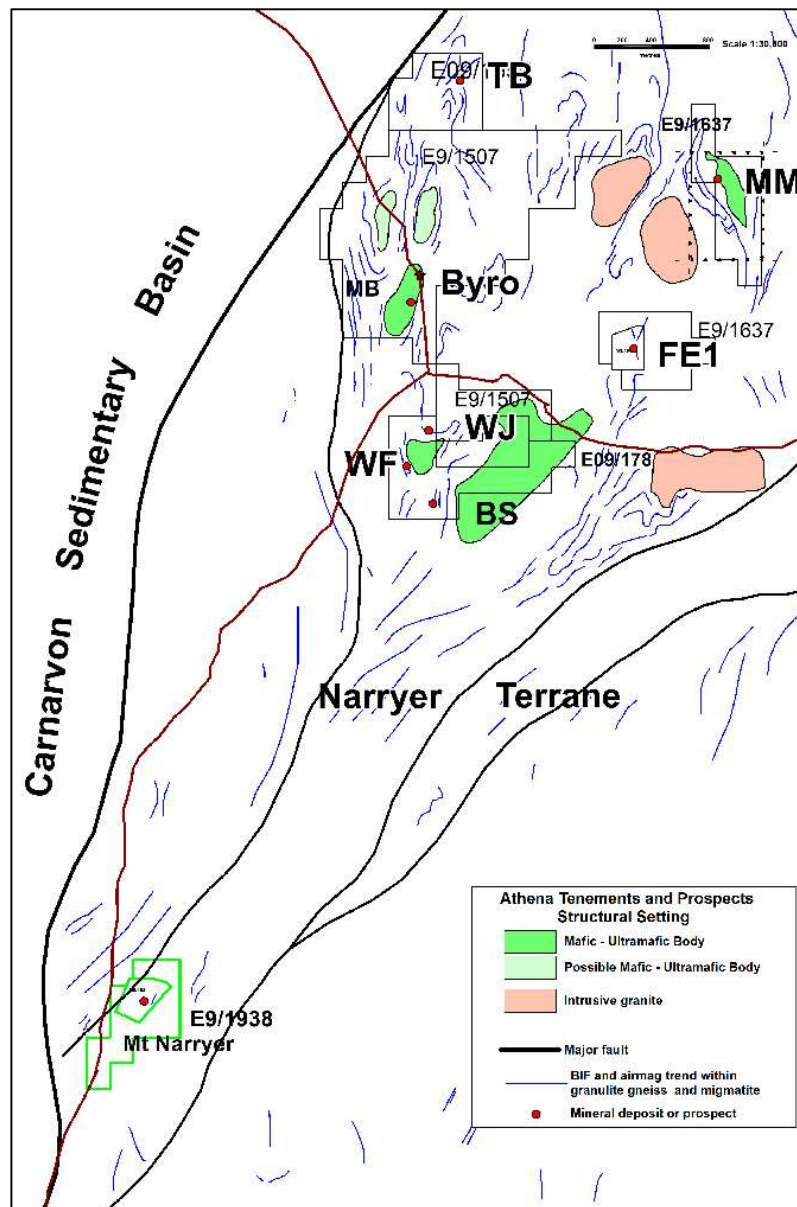


Figure 2: Structural and magmatic interpretation of Athena Byro Projects showing Milly Milly Body (MM), Moonborough Body (MB), FE1 deposit (FE), Whistlejack Prospect (WJ), Whitmarsh Find (WF), Byro South Prospect (BS), Think Big (TB) and Narryer Deposit (E9/1938).

Figure 2 shows the Athena project areas on a structural framework compiled from GSWA regional mapping (Williams et al 1983, Williams and Myers 1987) and various regional aeromagnetic datasets, including high-resolution surveys commissioned by Athena. The aeromagnetic linear traces shown on Figure 2 correspond closely to surface occurrences of BIF within the migmatitic gneiss. Some may also relate to lenses of ultramafic schist interfoliated within the migmatitic gneiss. The aeromagnetic traces form district-scale packages which may indicate the remnants of significant metasedimentary belts.

At least three bodies of mafic-ultramafic bodies occur within the Athena project areas - Milly Milly, Moonborough and Imagi. It is notable that the BIF traces tend to wrap around these bodies to form mega-boudins, suggesting they predate the deformation of the enclosing migmatitic gneiss, rather than

being intrusions into the gneiss. For this reason they are termed *bodies* in this IGR, rather than *intrusions*. It is likely they are the disrupted segments of the Manfred Complex. Two similar bodies may occur just north of Byro – as shown in Figure 2. Also shown are two granite bodies that have the features of post-tectonic plutons. Pressure shadows around these plutons are potential sites of later hydrothermal gold mineralisation.

4. PREVIOUS EXPLORATION

Previous exploration of relevance to Athena's work programs has focussed on the mafic and ultramafic bodies in the general area, and are summarised in Table 3.

A No	Company	Date	Project	Comment
A2510	E Z	1972	Imagi Well	9 costeans exposing chromite lenses, 10m @17.25% Cr ₂ O ₃
A8206	WMC	1978	Imagi Well	Concludes chromite lenses grossly uneconomic
A11047	Metals Ex	1982	Imagi Well	Chromite pods associated with UM, 1-5m wide, 100m long
A11295	Shell Mins	1982	Byro	Black ironstone with anomalous Cu, Zn Ni scavenged by Mn
A16800	Metals Ex	1985	Rebecca	Chromite pods near Moonborough
A29527	Newmont	1987	Imagi Well	Re-investigated chromite pods
A32073	Newmont	1990	Imagi Well	Showed chromite not magnetic, RAB gave no Ni, PGE values
A32606	Tarcoola Gold	1991	Milly Milly	Noted 0.29g/t Au in Byro Copper occurrence
A32662	Newmont	1990	Birrinjarra	Targeted chromite in anorthosite, RAB showed no major pods
A64178	Platinum Aust	2001	Imagi Well	IPO on PGE potential, showed Image Complex 15km x 6 km
A65996	Platinum Aust	2002	Imagi Well	Detailed mapping; 56 RC holes gave 48-141 ppb Pt+Pd
A68314	Platinum Aust	2003	Imagi Well	Detailed airmag; considers anomalies >100ppb is significant
A69999	Platinum Aust	2004	Imagi Well	2 DDH on Athena E9/1781; targeted 194ppb anomaly – poor result
A77790	Eagle Nickel	2008	Imagi Well	Interprets complex dipping steeply NW, facing SE
A86138	Red River	2009	Imagi Well	Red river undertook ground EM

Table 3: Annotated table of relevant WAMEX reports

In the period 1969 – 1972 (WAMEX A2510) **Electrolytic Zinc “EZ”** carried out exploration for chromite with geological mapping, ground magnetics, trenching and limited drilling. EZ interpreted a concealed mafic “intrusive” body 10 km long by 5km wide, which has become known in the industry as the Imagi Complex (sometimes referred to as Iniagi). Costeans indicated small podiform chromite lenses with a sporadic distribution, closely associated with “serpentinite”. No immediate source was identified. Limited drilling identified norite on the south-eastern side of the body, with minor pyrite and chalcopyrite. The best results were 10m at 17.25% Cr₂O₃, and 4m at 1.4% nickel. The area of costeaning lies in a small excluded tenement surrounded by Athena's E9/1507 and E9/1781.

In 1977-78, **WMC** (A8206) also investigated chromite in the Imagi Body, using ground magnetics and percussion drilling. The best result was 10m at 8% Cr₂O₃.

Metals Exploration held a number of Mineral Claims in the period 1972-1982 over the Imagi Body (WAMEX A11047, A16800). Assays for Co, Cu, Ni and Pt were not anomalously high, and the low Cr/Fe ratio of 1.68 was deemed to indicate low quality ore. The best value from surface sampling was 4.05% Ni, and 0.18% Co from an ultramafic cap rock, which is indicative of nickeliferous laterite.

In 1989-90 **Newmont** further investigated the chromite potential at Imagi. RAB drilling did not encounter any rich chromite pods, and it was concluded that the known chromite pods had no magnetic expression.

Redback Mining carried out exploration at Byro East (Milly Milly) and the Byro West (Imagi) in the period 1996 – 1998. Redback recognised Milly Milly as a discrete lens-shaped body 6km long and about 1.4km wide. Surface geochemical sampling was limited and no drilling was done.

The IPO of **Platinum Australia Ltd** (“PLA”) in 2000 was based on the PGE potential of Imagi, which their geologists had recognised the significance newly-identified anorthosite phases. PLA considered the Imagi body to be up to 40km long and 6km wide.

Two lines of AC/RC holes were drilled across the interpreted position of the body at 100-200m intervals, which traversed an 8km-segment of Athena’s E9/1781. From this, PLA interpreted a layered ultramafic intrusion with northwest steep dip, but facing southeast. Several intervals of plus 100ppb combined Pt and Pd were encountered, which PLA considered to be significant and encouraging (WAMEX A64178, A68324). A drill target of 4m at 194ppb Pt+Pd was identified on the presumed northwestern side of the body. Two follow-up diamond drill holes encountered gabbro and anorthosite but failed to find any ore-grade PGE (WAMEX A69999).

In 2009 **Red River** in farmin to the ground held by Eagle Nickel undertook a moving loop EM survey of (A86138) in search Ni-Cu sulphides in a feeder-zone position of the Imagi Body. No significant conductors were detected.

As a commentary on previous exploration, it is evident that it has been ineffective for a number of reasons:

- The boundaries of the three mafic-ultramafic bodies that constitute remnants of the Manfred Complex are still poorly understood, due to the lack of lithological drilling and the enigmatic geophysical signatures.
- What targets have been identified have not been adequately tested by deep drilling.
- Almost no drilling has been done on the eastern contact of the Milly Milly Body.
- Surface geochemistry has been ineffective in defining drill targets.
- Modern advances in surface and down-hole EM techniques have not been employed.
- Emerging new models for Ni-Cu-PGE mineralisation, based on the chonolith concept have not been used.

5. BYRO BASEMETAL PROJECT

5.1 Milly Milly Body

The Milly Milly Body occurs 23km east-northeast of Byro Homestead on E9/1637. It is mostly covered by jasper-chalcedony cap rock, and surficial colluvium. Aeromagnetic imagery clearly defines a lens shaped body 6km long and 1.2km wide, oriented north-northwest, with a somewhat sigmoidal shape. Regional geological mapping (Williams et al 1983, Williams and Myers 1987) depicted it to be enclosed within the gneiss unit *Agxb* which has thin resisters of BIF and ultramafic schist. However, detailed investigations by the Athena geologist reveal the enclosing rocks on both sides of the body are pelitic schist and gneiss, probably of metasedimentary protolith. A continuous BIF layer tracks along the western side approximately 1km west of the actual contact within this metapelite. Two RC drill holes (AHRC0023 and 24) confirm the intervening area is metapelite with talc schist bands, and intervals of quite high sulphur (4050 – 7000ppm).

Aeromagnetic imagery shows the BIF rafts wrap around the Milly Milly Body giving the appearance of a mega-boudin. This suggests it pre-dates the gneiss-forming event and relates to the dismembered

Manfred Complex. However, the possibility of it being a later intrusion of chonolith style, within the gneiss and subsequently deformed by a later gneissic event, cannot be dismissed.

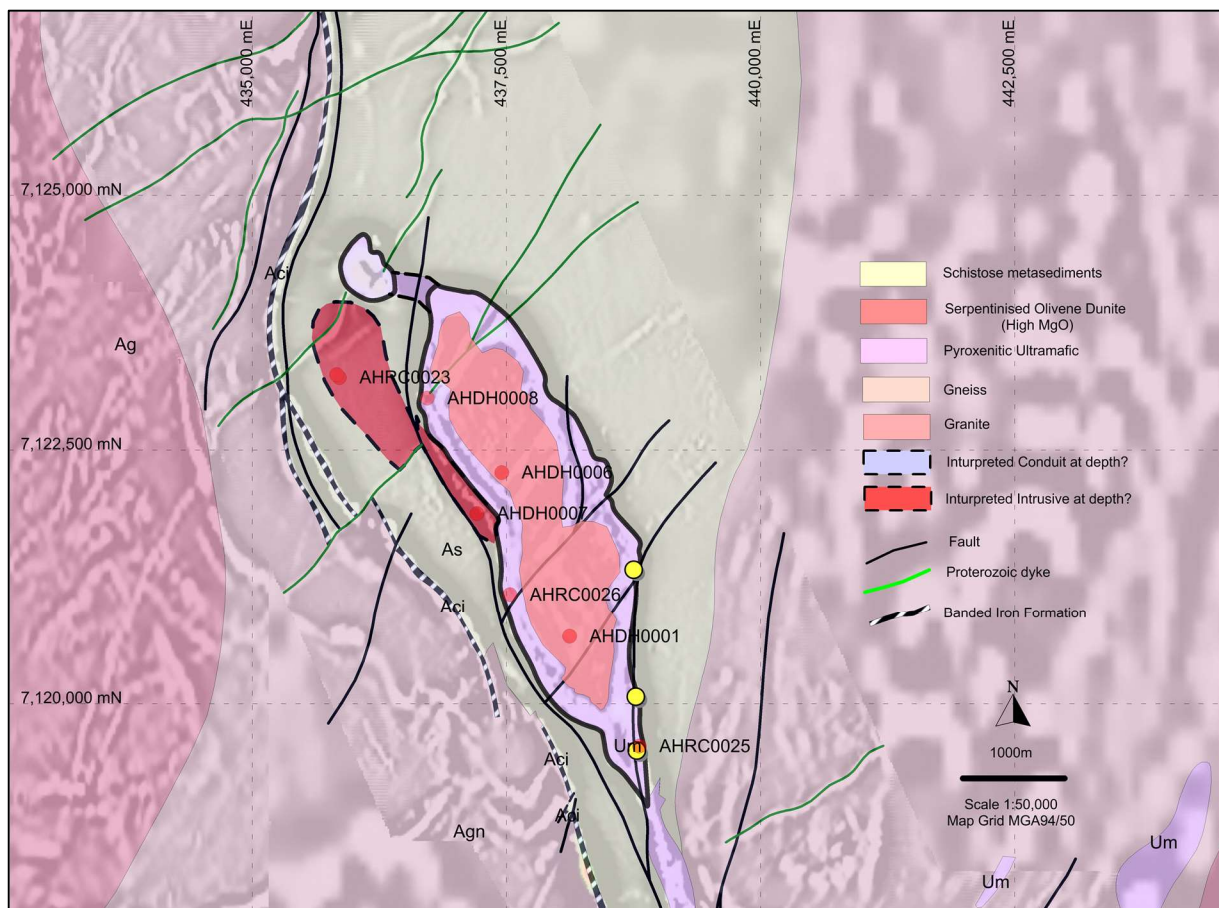


Figure 3: Geological interpretation of Milly Milly Body after Athena

In 2003, previous explorer Mithril Resources covered the Milly Milly Body with 120m x 30m soil geochemistry for basemetals. Elevated nickel occurs extensively over the body which is an expression of the extensive jasperoidal caprock. The copper shows semi-continuous anomalies at the 100ppm level all around the rim of the body (Figure 4). Several peaks up to 250ppm Cu are present, and not just on the western contact. Shallow vertical saprolite drilling by Mithril Resources produced best results of 13.7m at 1.2% Ni and 67m at 0.7% Cu (including 18m at 1.14% Cu).

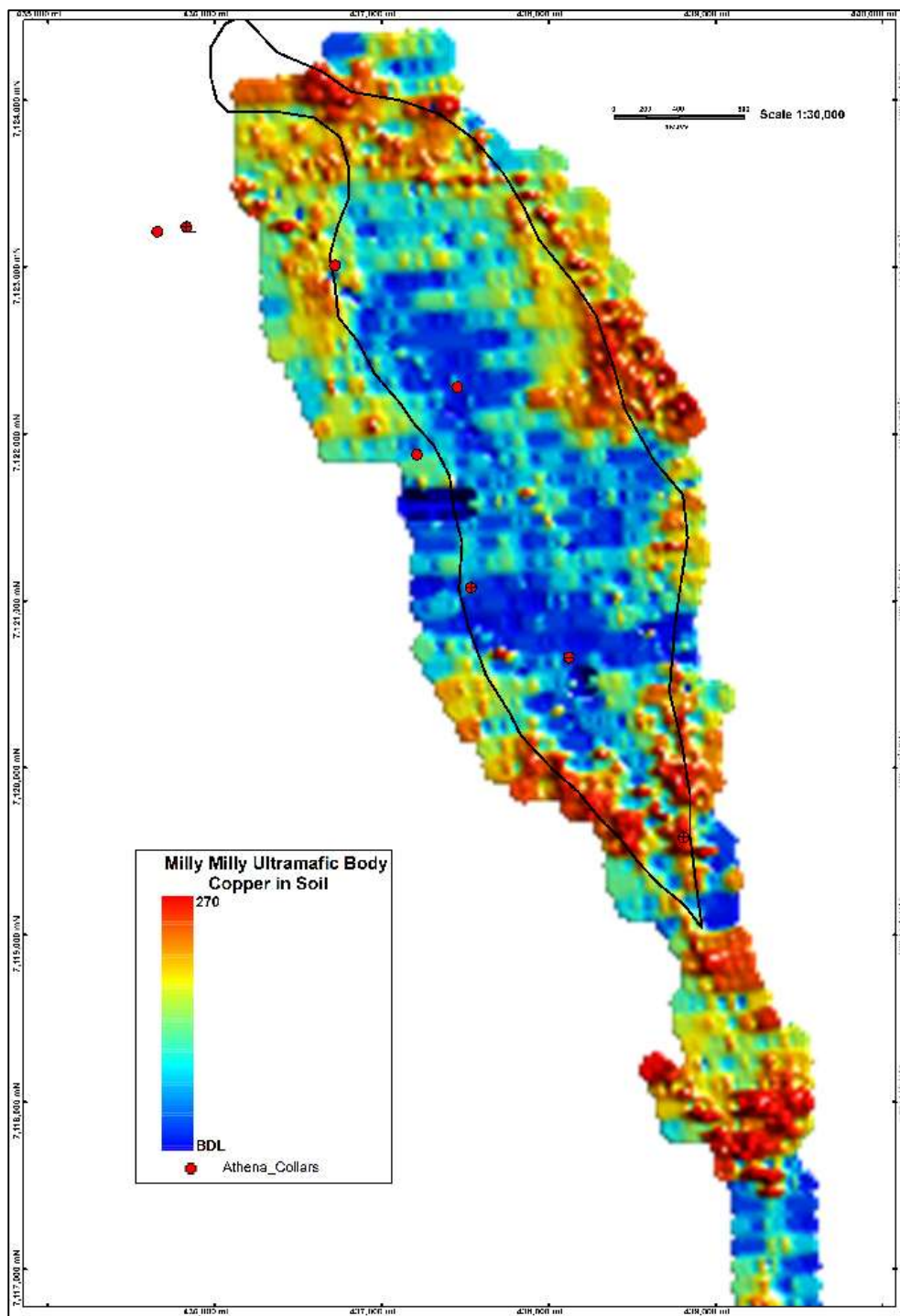


Figure 4: Copper in soil on the Milly Milly Body

The first deep hole into the Milly Milly body was Athena's AHDH0001 in 2011 which had a long diamond tail on the first RC hole, funded under the WA Government Co-funded Industry Drilling Program. It was collared centrally in the southern part of the body, 500m from the geochemically anomalous western contact. It targeted a VTEM anomaly and went to a depth of 500m. It encountered multiple zones of low-tenor nickel mineralisation:

- 1.7m at 0.31%Ni from 157m
- 22m at 0.30%Ni from 232m
- 1.5m at 0.31%Ni from 320m
- 2.6m at 0.31%Ni from 328m

Although low grade, these results indicate the likely presence of a sulphide Cu-Ni system. A subsequent DHEM has identified an off-hole conductor at about 140m downhole which has not been tested.

To better understand the nature of the body, Athena commissioned a detailed gravity survey on a 400m x 200m grid, with selected 50m infills. This produced a 3D model (Figure 5) directly matching the outline of the mafic-ultramafic body. It also identified a string of three high-mass anomalies along the favoured western contact. These became targets for three deep diamond holes partly financed through the 2014 WA Government Co-Funded Industry Drilling Program. Although this core-drilling program aimed to test Cu-Ni targets, the underlying objectives was to gain a better understanding of the geochemistry and geometry of the ultramafic body, and to provide a platform for further down-hole EM. The DHEM technique has proved remarkably successful in finding deep blind massive Cu-Ni sulphide deposits in mafic-ultramafic intrusions of the Albany-Fraser Province – for example the Nova Deposit.

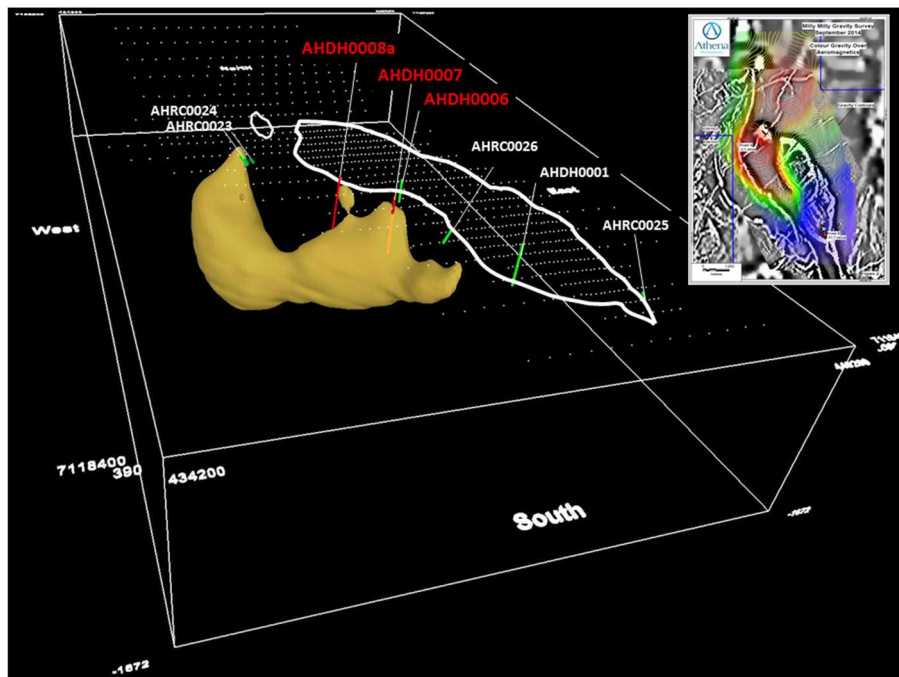


Figure 5: Gravity inversion model of Milly Milly

AHDH006 was targeted on a local gravity anomaly and a coincident nickel-soil anomaly in the northern part of the Milly Milly Body, near the western contact. It encountered two zones of nickel sulphide mineralisation at 70m and 225m downhole (141016). In both zones pentlandite stringer veins occur in meta-peridotite with disseminated pentlandite, pyrrhotite and minor native copper.

AHDH007 was drilled close to the central section of the western contact, again targeting a gravity anomaly and nickel-in-soil anomaly. It encountered low-tenor stringer and disseminated pentlandite-pyrrhotite mineralisation at 427m down hole, in meta-pyroxenite.

AHDH008 tested another gravity anomaly on a northern section of the western contact. It established an 85° westerly dip of the western contact, and a fracture zone between pyroxenite and meta-pelite (sedimentary gneiss). No significant mineralisation was encountered.

This 2014 core-drilling program suggests the Milly Milly body consists of a low-magnesian pyroxenite along the western contact and a core of high-magnesian peridotite in the centre. Drill information is lacking on the nature of the eastern contact. In summary, two zones of disseminated primary magmatic pyrrhotite-pentlandite mineralisation have been identified on or near the western contact. These zones host pentlandite stringer veins that have been remobilised from a primary zone. Geochemical work on the drill cores indicates that the ultramafic is unsaturated in sulphur, signifying the original magmas were fertile for sulphide crystallisation. This is further indicated by the occurrences of millerite (sulphur-poor nickel sulphide), and the presence of native copper rather than copper sulphide (eg chalcopyrite). Some zones of elevated platinum values were also encountered, which means the magma was also fertile for PGE.

The nature of the Milly Milly Body remains uncertain – whether it is part of a layered mafic-ultramafic complex, or a later ultramafic intrusion. It has to be noted that the eastern contact which hosts several significant copper-in-soil anomalies is untested.

5.2 Review of Previous EM

In conjunction with Southern Geoscience Consultants (SGS), Athena Resources has completed a detailed review of all previous electromagnetic (EM) exploration surveys at Milly Milly. These involved broad-scale airborne versatile time domain electromagnetics (VTEM), ground GeoFerret fixed-loop time-domain electromagnetics (FLTEM), ground moving-loop time-domain electromagnetics (MLTEM), and down-hole electromagnetics (DHEM).

The review determined that some of the previous techniques had inherent problems. The FLTEM and MLTEM ground surveys had induced potential (IP) and superparamagnetic (SPM) effects in the in-loop responses due to regolith effects. The FLTEM only surveyed single loop locations so that some potential conductors would have been poorly coupled and undetected. VTEM was deemed partly ineffective due to noise from conductive regolith, and IP and SPM effects masking late-time responses. Follow up ground EM was recommended but not completed on recognised VTEM anomalies.

For further EM surveys, SGS recommended the use of higher power ~100-200A low-frequency input, and SQUID B-field sensors to provide low noise, and overcome IP and SPM issues in the near surface.

The review identified three priority target areas (Figure 6) with moderate-to-strong, mid- and late-time responses that had not been effectively tested.

- **Target 1** - Central lobe where a VTEM high-amplitude anomaly immediately west of drill hole AHRC00026 / AHDH0001 at a depth of 140m has not been adequately tested. That hole gave elevated nickel of circa 0.3%Ni at that depth.
- **Target 2** - Western contact in the vicinity of AHDH007 (which had stringer and disseminated mineralisation), has not been covered effectively by ground or airborne EM at the depth of mineralisation.
- **Target 3** is a geochemical-gravity-VTEM anomaly in the meta-pelite 800m west of the Milly Milly contact. Twin holes HAHRC0023 and AHRC00024 tested a VTEM response and a high gravity anomaly. These holes encountered elevated sulphur and copper in talc schist. This could

be remobilised mineralisation, and thus provide a vector to massive sulphide related to Milly Milly body.

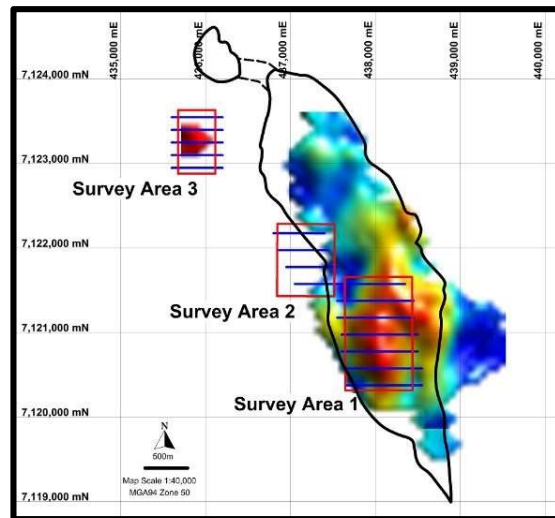


Figure 6: Proposed EM survey areas on Milly Milly

Considering the clear indications of a sulphide mineralising system in the Milly Milly Body, and the fertile nature of the ultramafic magmas, these are reasonable targets.

5.3 Moonborough Body

The Moonborough Body occurs on E9/1507 immediately west of Byro Homestead. It is an ovoid feature 5km long and 2km wide, and of similar aspect on aeromagnetic imagery to that of Milly Milly. It is mostly covered by alluvium and colluvium of Yarra Yarra Creek. However coarse-grained gabbro with copper staining occurs at the interpreted northern tip. As with the Milly Milly Body, aeromagnetic imagery shows the magnetic BIF traces wrapping around the rigid body. It is drilled by only two shallow drill holes (AHRC0019 and 20) which recorded 13m and 48m respectively of ultramafic rock. Interest is enhanced by the coincidence of a high-amplitude gravity anomaly.

Three new target areas have been identified at Moonborough from the review of the previous VTEM data by Athena Resources and Southern Geoscience Consultants (SGS). Target nomenclature follows from the three targets at Milly Milly.

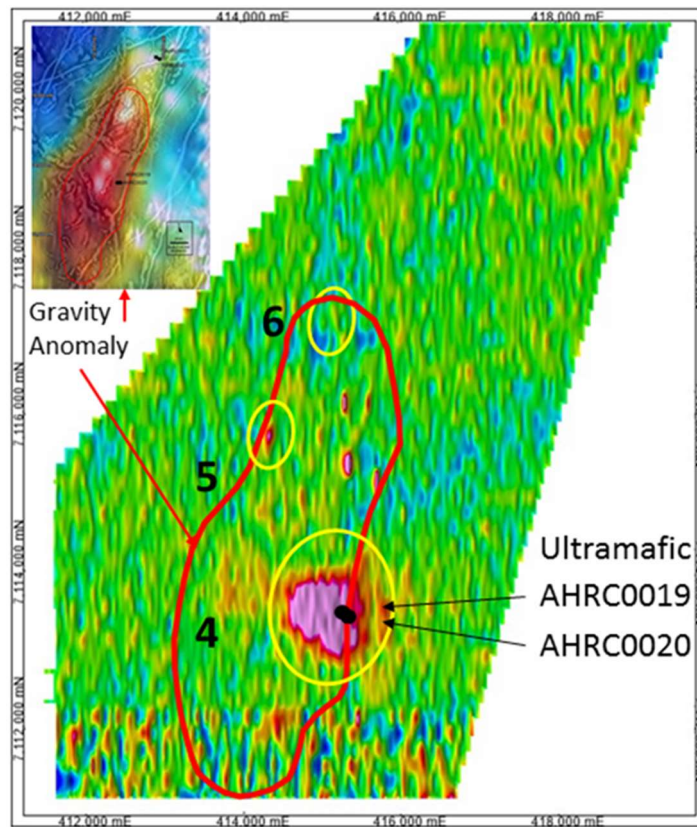


Figure 7: Moonborough EM targets

6. MAGNETITE DEPOSITS

6.1 Geology

Elongate rafts of quartz-magnetite rock are abundantly scattered throughout the migmatitic gneisses in the Byro and Narryer project areas, and are a source of magnetite ores. The rafts are interpreted to be highly metamorphosed sheared resisters of BIF within the migmatite. They generally strike northeast and dip steeply northwest, but show contortions around the mafic-ultramafic bodies. The lenses are spatially associated with discontinuous rafts of quartzite and thin layers of schistose talc ultramafics – the latter probably not being part of the dismembered Manfred Complex. Traces of meta-BIF and quartzite, as taken from outcrops presented on the 250k geological map of Williams and Myers (1997), augmented by aeromagnetic interpretations and drill data of Athena, are shown on Figures 2 and 8.

The quartz-magnetite rafts are metamorphosed to granulite facies. They have coarse granoblastic textures with moderate foliation, and grain sizes ranging from 0.5mm to 1.5mm - features which facilitate clean separation of the constituent grains during grinding. Ferro-silicate minerals (eg - hypersthene, grunerite) that generally plague most Archaean BIFs are generally absent. In essence they are essentially bi-mineralic rocks. They outcrop conspicuously in areas of exposure, but much of their extent is covered by alluvium, colluvium and laterite. They invariably have sharp high-amplitude aeromagnetic responses. Athena Resources has flown the Byro project area with 100m line spacing aeromagnetics, followed by detailed 50m and 25m line-spaced surveys. These surveys have defined up to 10 significant magnetite rafts, from which Athena Resources has identified the best occurrences for further appraisal. These prospects are shown in Figure 8, and have been given prospect names.

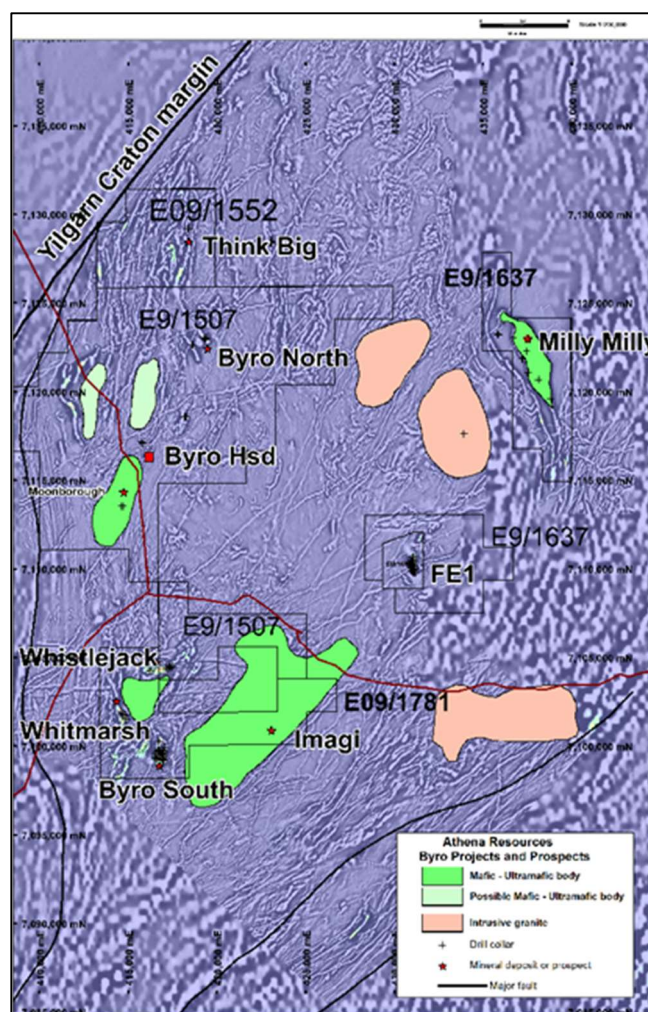


Figure 8: Byro area prospects on aeromagnetic image, showing geological interpretation and drill holes

6.2 Exploration Targets Defined

Athena has identified ten significant magnetite deposits from outcrop and aeromagnetic imagery. Exploration Targets compliant with JORC 2012 were developed for five areas containing the magnetite bodies (Table 4) by Liam Kelly, Exploration Manager of Athena Resources and announced on 11 August 2014 by way of a presentation loaded on the ASX platform. Targets were developed on the basis of:

- widths and strike lengths, as observed in the field or from high-resolution aeromagnetics,
- extrapolated to 100m depth (minimum case) and 150m depth (maximum case)
- Fe assays of surficial material
- Assumed SG of 3.5 t/m³

Deposit	Range Mt	Range % Fe
FE1	2.0 - 6.3	31.1 - 42.1
Byro North	32.3 - 90.9	21.6 - 44.0
Byro South	23.9 - 164.6	21.6 - 38.6
Milly Milly Iron	22.6 - 56.7	24.8 - 42.4
Mt Narryer	37.8 - 127.5	36.4 - 46.4

Table 4: Exploration Targets for magnetite ore

The exploration targets are at varying stages of exploration. The most developed are FE1, Byro South, Whistlejack, Whitmarsh Find and the Mt Narryer magnetite deposits.

6.3 FE1 Deposit

The FE1 Deposit is located 17km east-southeast of Byro Homestead, and is covered by M9/166 which is enveloped by E9/1507. It is almost totally covered by colluvium, but a small outcrop occurs at the southeastern tip. From drilling and magnetics, the BIF raft is 1000m long, 45m thick, encased within migmatitic gneiss, and dips moderately northwest. It has been drilled by 30 RC holes mostly inclined at -60° to azimuth 090° (Figure 9). The boundaries of the ore body are well defined by the coincidence of geological and magnetic signatures, and drilling to down-hole depths of 200m (150m vertical).

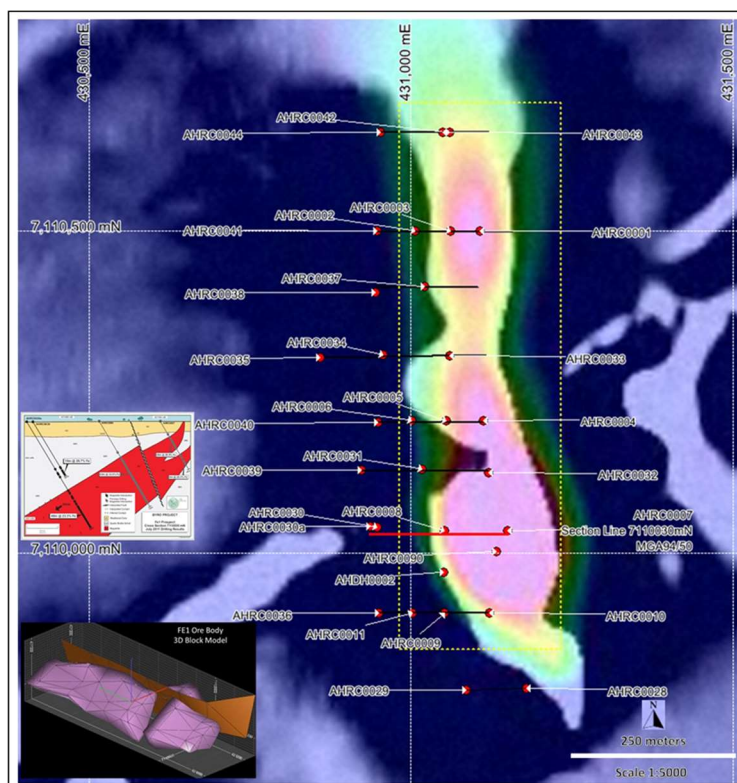


Figure 9: FE1 drill pattern on aeromagnetic image

Athena announced on the ASX on 28 Nov 2011 an initial Mineral Resource estimate of 22.8 Mt at 25.6% Fe at zero cut-off grades. This was done by AMC Consultants by Ordinary Kriging on 2m composite samples from 30 drill holes on a general 100 x 50m grid. Zero cut-off implies a sharp distinction between BIF and the enclosing gneiss. The Mineral Resource estimate was classified as Inferred in accordance with the then-JORC Code of 2004. An updated Mineral Resource estimated in accordance with JORC Code 2012 guidelines is included within the proposed near-term work program (Table 12).

Initial DTR results from 10 RC samples composited over long intervals (up to 83m) at a constant grind size of p80 35µm gave an early indication of a very pure concentrate (AHN announcement 21 Oct 2010).

Test	Grind Size µ	Fe% head	Mass pull %	Concentrate grade Fe%	SiO ₂ %	Al ₂ O ₃ %	S %	P %	LOI
DTR	35 µm	33.4	41.0	70.1	1.60	0.29		0.004	-3.1
LIMS	250 µm		49.4	68.6	4.86	0.30	0.001	0.01	-3.13
	150 µm		47.4	70.8	1.29	0.27	0.004	0.001	-3.26

Table 5: DTR and LIMS results for FE1 orebody

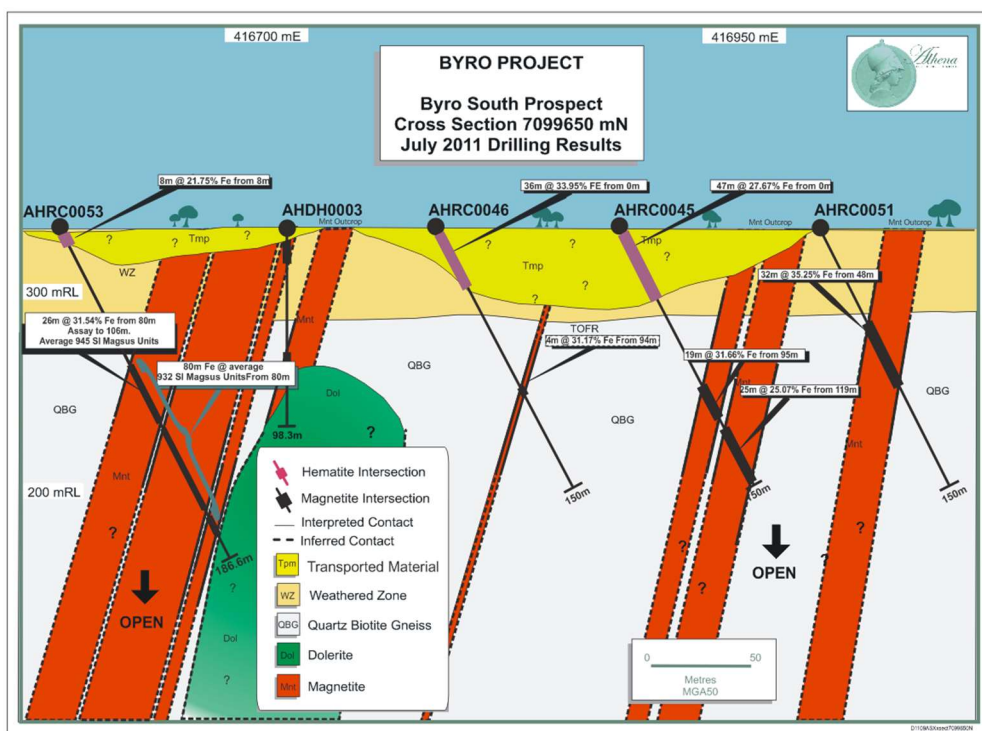


Figure 11: Byro South cross section

DTR work by Bureau Veritas (Project 3937, 30 May 2016) gave results similar to FE1. Table 6 gives indicative concentrate analyses for two grind sizes – p80 125µm and p80 75µm, from a representative composite sample.

Grind Size (µm)	Head Grade (Fe%)	Mass Pull (%)	Concentrate Grade (Fe%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	S (%)	LOI (%)
125	38.55	44.2	67.4	4.73	0.96	0.006	0.020	-3.06
75	38.48	42.5	70.22	1.59	0.75	0.003	0.018	-3.30

Table 6: DTR results for Byro South

6.5 Whistlejack

The Whistlejack magnetite orebody 11km south of Byro Homestead, straddles the boundary between E9/1507 and E9/1781. It is a segment of a highly contorted quartz-magnetite raft that wraps around the northern margin of a segment of the Imagi Complex. It is concealed by sand, silcrete and colluvium. The prospect is an arcuate east-west striking high-amplitude magnetic anomaly 1200m in length, and 45m wide. It has been drilled by six RC holes which is insufficient to estimate a Mineral Resource. Athena Resources state an Exploration Target of 23.9 – 164.6 Mt at 31.6 – 38.6% Fe. Davis Tube Tests on the RC cuttings give results slightly inferior to that of FE1.

Test	Grind size µ	Mass pull %	Concentrate grade Fe%	SiO ₂	Al ₂ O ₃	S	LOI
DTR	75	41.05	67.90	3.99	0.9	0.11	-3.16

Table 7: DTR results for Whistlejack

6.6 Whitmarsh Find

Whitmarsh magnetite prospect is 14km south-southwest of Byro Homestead. Geologically it lies on the western rim of what is interpreted to be a segment of the Imagi Mafic Body. It is expressed by an 800m long high-amplitude magnetic anomaly in an area covered by colluvium, laterite and silcrete. Drilling

to date is limited to four RC holes which indicates a steep west-dipping BIF unit of similar characteristics as the other satellite magnetite deposits around the Imagi Body.

6.7 Narryer Deposit

The Narryer magnetite deposit lies 6km northeast of Mt Narryer Homestead which is some 70km south of the Byro project areas. It is covered by M9/168 which is enveloped by E9/1938.

Like the other deposits to the north, it is a raft of highly metamorphosed quartz-magnetite rock within migmatite. It is a partially outcropping raft 25 – 50m wide and 3km strike length, showing structural contortion and a strong magnetic response. It has been drilled by 11 RC holes and one diamond drill hole for metallurgical purposes. It has an exploration target of 37.5Mt – 127Mt at 36.4%Fe – 46.4%Fe, and requires more drilling to estimate a Mineral Resource.

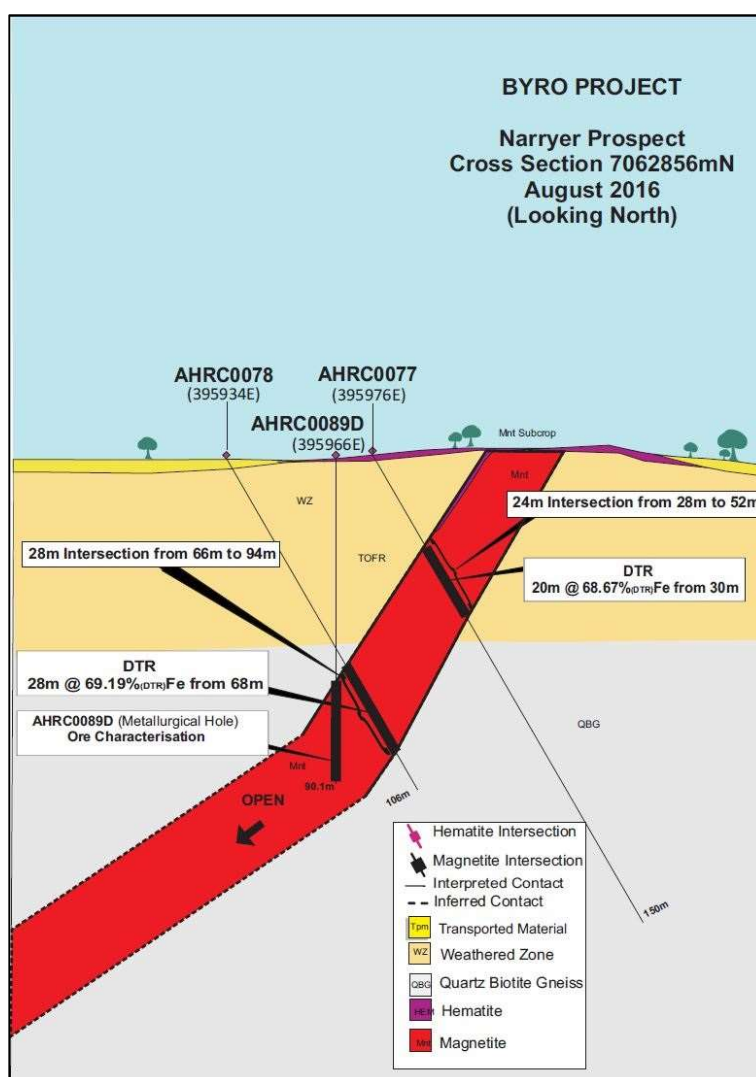


Figure 12: Cross section of Narryer BIFs

Some significant DTR and LIMS tests are summarised in Table 8. It is evident that a concentrate of 70% Fe can be obtained from a grind of 90µm.

Reference	Type	Grind size µm	Mass Pull %	Head grade Fe %	Concentrate grade Fe%	SiO ₂ %	Al ₂ O ₃ %	P %	S %
1	DTR	90	21.4	24.8	66.8	5.59	0.62	0.006	0.156
1	DTR	45	23.3	29.84	70.0	1.80	0.54	0.002	0.174
2	DTR	90	35.0	Na	70.0	1.52	0.34	0.001	0.115
3	DTR	90	21.3	Na	69.0	2.16	0.23	0.011	0.003
4	DTR	90	49.1	Na	70.4	1.74	0.28	0.002	0.012
AHD89	LIMS	90	na	20.3	70.2	2.33	na	0.004	0.004

Source: 1 AHRC0068; ASX release 15 Dec 2015
2 Composites from RC cuttings; ASX release 19 Jan 2017
3 AHD89 PQ metallurgical core hole; ASX release 19 Jan 2017

Table 8: DTR and LIMS results for Narriyer orebody

6.8 Hematite deposits

In the course of magnetite exploration, Athena Resources also investigated some surficial pods of rich hematite on edges of BIF rafts. These are solid granular hematite, seemingly devoid of quartz grains and clay streaks. Initial assays (ASX release 6 Sep 2012) of grab samples indicated values in the range of 54% - 59% Fe which, with minimal beneficiation, would be considered direct shipping ore (DSO). On 11 Aug 2014 Athena Resources announced exploration targets for some of these occurrences, based on accurately determined surface areas, inferred thicknesses, and an assumed SG of 3.5 t/m³.

Deposit	Tonnage range	Grade Range
Think Big	0.6 – 4.0	54.0 – 58.6
Heppenstal	0.3 – 2.8	55.4 – 60.5
Olvidado	0.2 – 0.7	52.2 – 56.4

Table 9: Exploration targets for hematite deposits around Byro

All these hematite deposits occur north of Byro Homestead. The occurrence with the greatest size potential is Think Big on E9/1552, which is at least 500m long. A suite of 21 grab samples (ASX 1 Jul 2014) averaged 56.5%Fe, and initial tests show it can be easily beneficiated. Think Big has been drilled by only two holes (AHRC73 and 74).

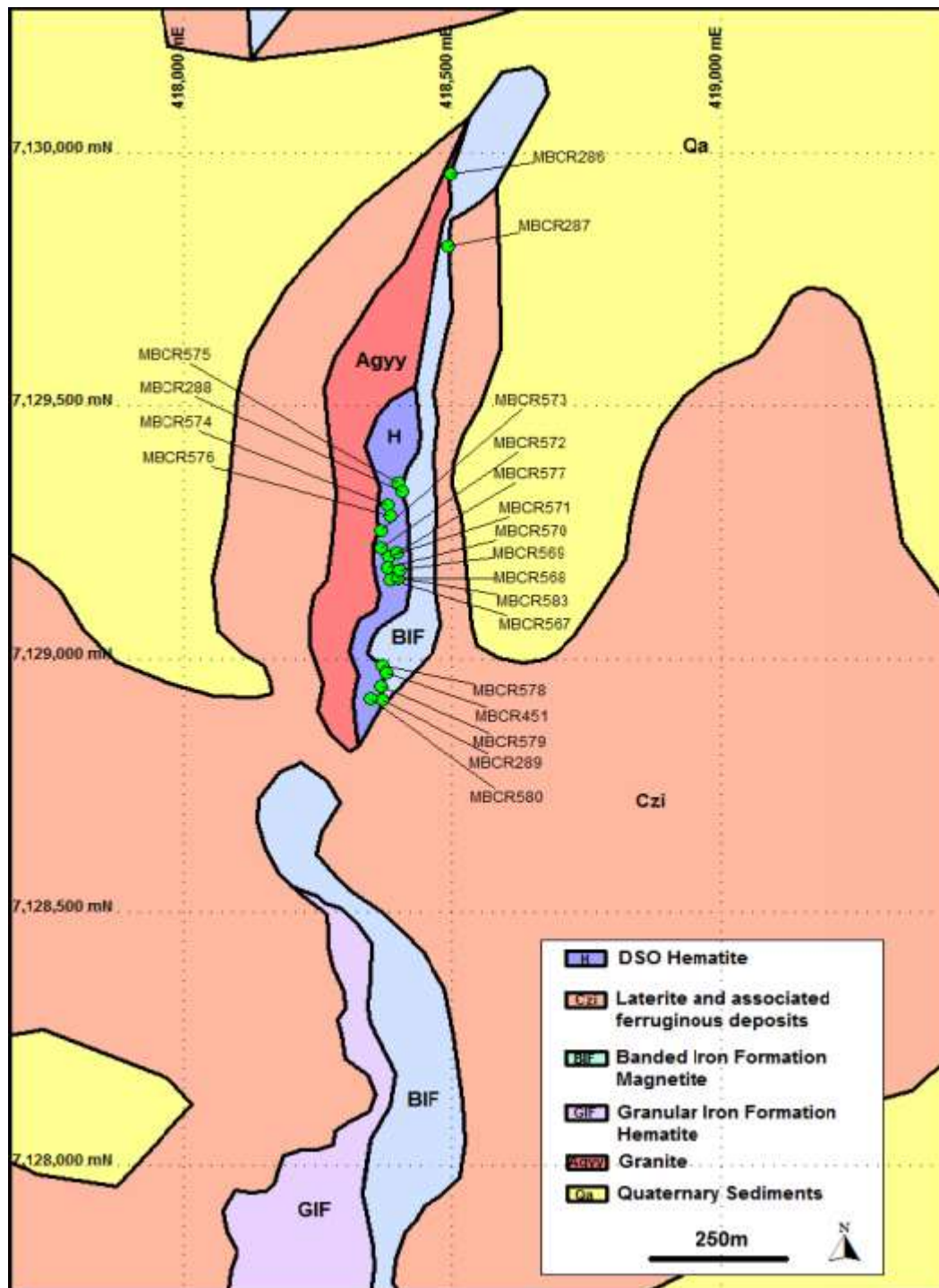


Figure 13: Geological map of Think Big hematite deposit after Athena Resources

Although these deposits are small by industry standards, they do present a potential initial cash flow opportunity within a greater project where transport to port is involved.

7. BYRO INDUSTRIAL MAGNETITE PROJECT

7.1 Background

In 2009, during the then-prevailing iron-ore boom, Athena commenced iron ore exploration on extensive ELs in the Byro area. At this stage hematite mining had commenced at Jack Hills 120km to the east, and Talling Peak 150km to the south. Along with many other mineral exploration companies, Athena's focus quickly turned to the magnetite potential of the exposed banded iron formations (BIFs) that are common throughout the Yilgarn Craton.

BIFs are sedimentary rocks chemically precipitated on the ancient sea floor. With induration and metamorphic recrystallisation, they become extremely hard rocks and tend to outcrop positively in the form of hills. They consist of millimetre-thin laminations of very fine grained (20 - 40 µm) chert (quartz), equally fine magnetite grains, and other iron-silicate minerals.

For magnetite concentrate production, BIFs require multiple stages of grinding of the hard rock to achieve a fine p80 grind of 30-45 µm, in order to liberate the individual magnetite grains. Magnetite grains are then extracted by magnetic separators to produce a homogeneous concentrate of about 70%Fe – approaching the ultimate limit of Fe content for magnetite.

Magnetite iron ore has advantages over goethitic-hematitic ores because of their:

- exothermic reaction with oxygen in the blast furnace
- higher grade product
- much lower deleterious elements such as Si, Al, P
- consistency of specifications
- cheaper transport
- ability to pelletise
- compatibility with modern DRI blast furnaces

However, they require large amounts of energy for fine grinding and magnetic separation, and large amounts of water. This requires high throughputs into large processing plants that cannot easily be scaled down. New projects also require substantial infrastructures in terms of haulage, power, water and port outlets. This in turn requires very high capital for development. The economics of magnetite projects are still challenging, despite the enormous potential resources that occur in BIFs throughout Western Australia.

7.2 Developmental Study of 2011

On 12 Oct 2011 Athena announced a “pre-feasibility” study (what would now be called a concept study) based on the then-emerging FE1 deposit. It incorporated developmental concepts by GR Engineering Services which involved staged grinding to p80 of 125µm, two-stage wet LIMS, producing a concentrate (Table 10) of specifications consistent with the DTR results tabulated elsewhere in this report.

Grind size	Concentrate grade Fe%	SiO ₂ %	Al ₂ O ₃ %	S %	P %
P80 125µm	67.5	4.0	0.3	0.02	0.01

Table 10: Indicated composition of iron-ore concentrate from 2011 study

Production costs were given as \$8.46 per tonne of ore feed, or \$16.92 per tonne of concentrate. That figure did not include transport to port. Capex for annual production of 5Mt of concentrate was given as \$136M. It required a 14MW power station and water would come from the adjacent Yarra Yarra palaeochannel. Athena emphasised at the time, that the coarse nature of the Byro magnetite deposits allowed a high degree of liberation at a relatively coarse grind, giving significant reduction in power and operating costs, compared to other aspiring magnetite projects in Western Australia at that time. With the current high price of iron ore, the opportunity to economically produce industry-standard concentrate for steel making should be revisited.

7.3 High Purity Industrial Magnetite

With the recognition that a magnetite concentrate can be produced from the Byro deposits with very low contaminants at a relatively coarse grind size, Athena Resources has turned its attention to high-purity industrial magnetite. When magnetite has more than 71.5% Fe it is known in the industry as *High Purity Iron* (HPFe). *Super High Purity Iron* (SPFe) is magnetite with more than 72% Fe. Stoichiometrically, absolutely pure magnetite contains a maximum of 72.36%Fe.

HPFe and SPFe powders find many industrial uses, including coal washing, as a catalyst in ammonia production, densification of aggregate, water filtration, metal powder coating, and speciality metal alloys for the automotive industry, 3D metal printing, brazing and welding, chemicals and pharmaceuticals (<https://iron-powder.com/iron-powder-uses/>).

Many of these applications also require strict specification of particle size distribution. Pilot testings indicated that quality HPFe product can be produced from the FE1 and Narryer orebodies of Athena.

Size μm	Concentrate grade %Fe	Magnetic Fe	SiO ₂ %	Al ₂ O ₃ %	CaO	MgO	TiO ₂ %
75-25	71.55	70.72	0.55	0.34	0.16	0.09	0.1

Table 11: Composition of High-Purity industrial magnetite from Byro ores

Athena Resources (ASX releases of 24 and 28 Jan 2020) has identified promising global market opportunities for a product of this characterisation following thorough metallurgical and characterisation studies. Pilot test runs for various grindings sizes will enable it to deliver a product that is suitable for coal washing, and ammonia production.

7.4 Concept Plan for Production

Through 2016 – 2017 Xinhai Mining Research and Design Company together with GR Engineering Services (who completed the 2011 study) undertook a concept study to examine the parameters and processing routes for producing HPFe and SPFe from FE1 and Narryer ores. The basic parameters included 4Mt/y plant and 1.2Mt/y concentrate production over a minimum 10-year period. The announcement of 19 Jan 2017 gave useful ore characterisation parameters including density of 3.45 t/m³, Crushing work index of 8.6 kWh/t, and Bond ball mill work index 14.2 kWh/t.

The processing route involved industry-proven circuits of crushing, classification, grinding, rougher and cleaner LIMS, followed by thickening, filtration and tailings disposal. HPFe concentrate would be trucked 380km to Geraldton Port. Provision would be made for a special add-on processing facility to produce SPFe. Depending on market conditions it is conceptualised that about 60% of the product would go into the speciality magnetite market, and the remainder to DRI steel making.

In order to bring these concepts to a formal pre-feasibility stage, it is a requirement that the Mineral Resource estimate be expanded and brought to the Measured classification, in accordance with the JORC Code 2012 Edition.

8. PROPOSED EXPLORATION PROGRAM AND BUDGET

Athena has proposed work programs and budgets for the Byro Basemetal Project and the Byro Industrial Magnetite Project, shown in the 'Near-term Costs' column of Table 12.

Athena Exploration Program - Near Term Costs		
Activity	Program	\$
Metallurgy	Industrial Minerals Project further metallurgical test work	20,000
		20,000
Geophysical Ground Electromagnetic Survey	Ground Electromagnetic: Milly Milly Intrusion, (TDEM - SQUID)	35,000
	Ground Electromagnetic: Moonborough Intrusion, (TDEM - SQUID)	35,000
		70,000
Geophysical Ground Gravity Survey	Ground Bouguer Gravity: Milly Milly (Infill over conduit target)	6,000
	Ground Bouguer Gravity: Milly Milly (Infill over western contact with second Intrusion)	4,000
	Ground Bouguer Gravity: Moonborough (Infill to close space over main Bouguer anomaly)	8,000
		18,000
Target Generation	Data collation and Interpretation including target definition and drilling trajectories.	0
		0
Native Title	Ethnographic Clearance Surveys, Access and Drill Pads - if required	46,000
		46,000
Ground Preparation	Develop access and drill pads	7,000
		7,000
Drilling	Milly Milly Intrusion (3 Primary Targets)	251,000
	Moonborough Intrusion (3 Primary Targets)	214,000
		465,000
Total exploration expenditure pre-readmission		626,000

Table 12: Proposed exploration program and budget

Athena Exploration Program - Specific Base Metals activity - Mid Term Costs		
Activity	Program	\$
Drilling	Milly Milly Intrusion (Discovery infill)	200,000
	Moonborough Intrusion (Discovery infill)	200,000
		400,000
Rehabilitation	Rehabilitation	7,000
		7,000
Geochemistry	Sample preparation and submission	5,000
	Geochemistry / sampling / mapping / interpretation (Milly Milly intrusion)	125,000
	Geochemistry / sampling / mapping / interpretation (Moonborough intrusion)	125,000
		255,000
Total exploration expenditure post-readmission		662,000
Athena Exploration Program - Industrial Magnetite - Mid Term Costs		
Activity	Program	\$
Drilling - FE1	11 RC/DD holes direct costs	303,200
	RC/DD Drilling indirect costs	120,832
	SG, whole rock, DTR, composites	99,779
		523,811
Other exploration activities	Byro South - Resource estimation existing drill holes	
	Whistlejack - RC/DD to define inferred resource	
	Whitmarsh Find - 10 hole RC/DD to define inferred resource	
	Byro North - Resource drilling	
	Narryer - Drilling to Inferred Resource	460,400
		460,400
Total exploration expenditure Industrial Magnetite		984,211
		1,646,211

Table 13 (Continued): Proposed exploration program and budget

The Basemetal Project Review of 23 March 2021 by Athena Resources presents a valid case for new ground surveys using high-powered MLTEM with SQUID sensors. It is likely these surveys may deliver drill targets on both Milly Milly and Moonborough Bodies. This program is endorsed by the Independent Geologist, however it is considered beneficial to undertake broad-grid drilling by air-core over the Moonborough Body to better understand its geological features. Expenditures beyond the near-term costs will be dependent on the results of the target drilling.

An 11-hole combined RC and DD program is planned at the FE1 orebody, which will enable an upgrade in classification from an Inferred to Indicated Mineral Resource, with a portion in the Measured classification, and estimated in accordance with the JORC 2012 Code guidelines.

The Byro South Orebody currently has sufficient drilling to complete the estimation of an Inferred Mineral Resource in accordance with the JORC 2012 Code guidelines. Together with the FE1 drilling, it is planned that this drilling may allow for the estimation of Mineral Resources to greater than 40 million tonnes, which may enable the development of a pre-feasibility study.

It is considered that the Whistlejack and Whitmarsh orebodies require 6-hole and 10-hole programs respectively, to enable the estimation of a Mineral Resource, but this is not necessarily a near-term imperative. Mid-term costs for drilling are extracted from the Byro Industrial Mineral review of Dec 2020, prepared by Athena Resources. Sufficient metallurgical test work, and environmental studies have been completed to enable the completion a pre-feasibility study. As the conceptual project requires 2.0GL/y of process water, it is recommended that test bores to estimate drawdown and production be included in planning.

Athena Resources has proposed a staged program of exploration for its two projects over what is likely to be a two-year period following its reinstatement from trading suspension on the ASX. The Independent Geologist considers the work programs are well conceived, and proposed expenditures are appropriate to further develop the Industrial Magnetite Project, and to effectively explore the Cu-Ni-PGE targets. The expenditures proposed surpass the minimum expenditure obligations of the tenements with respect to the statutory commitments by the Western Australian Department of Mines Industry Resources and Safety (DMIRS).

Signed by:



Dr Dennis Gee
BSc, PhD, MAIG
Date: 14 July 2021

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10. GLOSSARY OF TECHNICAL TERMS

Aeromagnetic	A geophysical survey undertaken by fixed-wing, helicopter, or drone for recording magnetic characteristics of rocks by measuring deviations of the magnetic field.
Alluvium	Accumulations of clay, silt, sand and gravel in defined water courses.
Amphibolite	Metamorphic rock composed mostly of amphibole mineral, generally derived by metamorphism of mafic rocks such as basalt and gabbro.
Anomaly	A feature where exploration has revealed results higher than background levels of geophysical or geochemical parameters.
Anorthosite	Coarse-grained igneous rock composed mostly of anorthite (calcium plagioclase) that crystallise in layered mafic complexes.
Archaean	Period in earth history older than 2500 million years before present.
Assay	Testing and quantification metals of interest within a representative sample.
Base metal	Usually refers to copper, nickel and zinc.
Basin	Extensive thick pile of predominantly sedimentary rocks accumulated in a downwarp of the crust.
Batholith	Large Intrusive body of granite, extending over a large area.
Bedding	Primary layering in sedimentary rocks, as seen in BIF, shale and chert.
Bedrock	Fresh rock underlying regolith.
BIF	Banded iron-formation; chemically precipitated sedimentary rock composed of laminations of fine magnetite, chert and other iron-silicate minerals.
Boudin	Bulbous sausage-like structure in deformed rock where extension in high strain zones produces pinch-and-swell and detachment features.
Calcrete	Cemented aggregates of calcium and magnesium carbonates in the upper regolith, formed during evaporation of near-surface groundwater.
Chalcopyrite	Sulphide mineral of copper - CuFeS_2 .
Chert	Fine-grained chemically precipitated sedimentary rock composed of cryptocrystalline silica.
Chonolith	Irregular shaped mafic igneous intrusion
Chromite	Mineral of formula $\text{Fe.Cr}_2\text{O}_4$, accessory mineral in mafic igneous rock and the only source of chrome metal.
Clastic	Pertaining to a sedimentary rock made up of rock or mineral fragments, deposited grain by grain.
Colluvium	Unconsolidated surficial sheet of soil, mineral grains and rock fragments accumulating on lower slopes.
Concentrate	Pertaining to metallurgy: the product of separation of ore minerals from constituent ores by physical or non-chemical methods.
Costean	Surface trench dug to examine and sample sub-surface material.
Craton	Large, ancient, stable mass of continental crust.
Diamond drilling	Using a diamond impregnated bit for retrieving a core of rock.
Dip	The angle of inclination from the horizontal of rock stratum or structure.
DTR	David Tube Recovery - an analytical method to quantify the amount of extractable magnetite grains from ground rocks and ores.

Exploration Target	Specific term to the JORC Code to semi-quantitatively express the exploration potential of a mineral deposit quoted as a range of tonnage and grade, for which there has been insufficient exploration to estimate a Mineral Resource.
Fault	Planar or curvi-planar fracture in rock along which there has been displacement, expressed as a linear feature on geological maps.
Feldspar	Group of rock-forming minerals comprises of Ca, K and Na aluminous silicates; major component of granite; the single most abundant mineral group in continental crust.
Felsic	Rock predominantly composed of feldspar and quartz, with minimal mafic components.
Ferruginous	Applied to weathered Fe-rich rocks, containing abundant goethite.
Foliation	Planar fabric in a deformed metamorphic rock expressed by alignment of constituent minerals.
Ga	Abbreviation for giga-year; applied to radiometrically dated rocks – thus 2.7Ga means 2,700,000 years before present.
Gabbro	Coarse-grained mafic rock, generally the intrusive equivalent of basalt.
GDA94	Geocentric Datum of Australia, adopted in 1994 to define geodetic coordinates.
Gneiss	Strongly foliated and banded coarse-grained quartzose-feldspathic rock of deep crustal metamorphic origin.
Goethite	Hydrous oxide mineral of iron $\text{Fe}_2\text{O}_3 \cdot x\text{H}_2\text{O}$, a common oxidation product of iron-rich rock-forming minerals.
Greenstone	Collective term for the volcanic, intrusive and sedimentary rock sequences that occur in discrete structurally-defined belts surrounded by regional voluminous granites, thus making the granite-greenstone terranes characteristic of Archaean cratons.
Granite	General term for coarse-grained felsic intrusive igneous rocks consisting mainly of quartz, feldspar and mica; can be used synonymously with granitoid.
Granulite	Quartzose-feldspathic metamorphic rock with distinctive granular texture, formed in deep crustal conditions of very high temperature and pressure.
Granuloblastic	Texture of a high-grade metamorphic rock in which polygonal-shaped grains have smoothly curved non-sutured interfaces.
Hematite	Iron oxide mineral of formula Fe_2O_3 , of either hydrothermal or regolithic origin.
Hydrothermal	Pertaining to hot aqueous fluids, driven by magmatic heat, which transport metals and minerals in solution.
In situ	Referring to a rock or boulder that is in-place and not removed from outcrop.
Intrusion	A body of coarse-grained igneous rock resulting from emplacement of molten magma into host rocks below the surface of the earth.
Jasper	Ferruginous chalcedony, developed by weathering and forming caprock on ultramafic rock
JORC	An industry code for reporting exploration results, mineral resources and ore reserves.
Lateritic duricrust	Naturally cemented residuum of weathering, generally with high iron-oxide and alumina content.
LIMS	Acronym for Low Intensity Magnetic Separation - beneficiation method to produce a concentrate of strongly magnetic mineral like magnetite.
Mafic	Rock rich in magnesium and iron silicates – for example basalt, dolerite and gabbro.
Magnetite	Natural iron mineral of formula Fe_3O_4 , with strong permanent magnetism.

Malachite	Blue-coloured copper carbonate produced at the weathering surface from copper sulphide minerals.
Metamorphism	The change in rock fabric and mineral assemblage as a result of high temperature and pressure associated with tectonic events.
Migmatite	Heterogeneous plutonic rock composed of closely co-mingled metamorphic gneiss and granitic phases which are partial melts of the gneiss.
Mineral resource	Specific term defined by JORC Code as a natural concentration of minerals in sufficient grade and quantity for which there is reasonable expectation of eventual economic extraction.
Norite	Gabbro containing ortho-amphibole
Orogen	Tectonic belt of deformed rocks, usually comprising metamorphic and intrusive igneous rocks, mostly occurring in collision zones within and between cratons.
Outcrop	Surface expression of underlying rocks.
Palaeodrainage	Old preserved, inactive river system, in-filled with partially consolidated fluvial sediments that may continue to carry water in the subsurface.
Pelite	Sedimentary rock composed of fine-grained mud and clay; when metamorphosed termed meta-pelite.
PGE	Collective term for the six platinum group elements, mainly platinum, palladium, and includes ruthenium, rhodium, iridium and osmium.
Peridotite	A magnesian-rich ultramafic rock composed of olivine and orthopyroxene
Pluton	Medium-size intrusive body of granite generally ovoid shaped in plan.
Pyrite	Sulphide mineral of iron – FeS ₂ .
Pyroxenite	A magnesian-rich ultramafic rock composed mainly of pyroxenes
Pyrrhotite	Sulphide Mineral of iron – FeS.
Quartz	SiO ₂ ; after feldspar the second most abundant rock-forming mineral in continental crust.
Quartzite	Metamorphic rock composed mostly of quartz derived from sedimentary quartz sandstone.
RAB drilling	Rotary-air-blast drilling method in which cuttings are brought to the surface on the outside of the drill hole, thus risking mixing of drill intervals.
RC drilling	Reverse circulation drilling method in which rock cuttings from the face of the bit are brought to the surface inside the drill rods, thereby avoiding contamination.
Regolith	Layer of unconsolidated material and weathered rock which overlies <i>in situ</i> basement rock; includes weathered basement rock, transported alluvium and colluvium, and chemical cements and soil.
Residual	pertaining to regolith, that component remaining in place without significant lateral movement, expressed by lateritic scarps and uplands.
Saprolite	Deeply weathered bedrock with preserved textures, but changed mineralogy and chemistry by chemical leaching in the weathering profile.
Sedimentary rock	Stratified rock deposited in layers and consisting of clastic particles and chemical precipitates.
Schist	Medium-grained metamorphic rock, derived from sedimentary or volcanic rocks, chiefly notable for the preponderance of micaceous minerals.
Shear zone	Planar zone of strong deformation surrounded by rocks with a lower state of strain.

Silcrete	Fine-grained silica hardcap developed in the regolith by cementation of soil and regolithic material from dissolved silica.
Siliciclastic	Relating to a clastic (meta-sedimentary) rock consisting largely of quartz and silicate minerals.
Soil geochemistry	Chemical analysis of soil samples collected in the field on a regular grid pattern, to identify anomalously high areas of chemical elements.
Stratigraphic	Describing the position of a sedimentary or volcanic rock unit in a progressive sequence of deposition.
Strike	The trend of the line of intersection of a dipping planar structure or layer with the horizontal plane: thus the trend of the feature as seen in plan view.
Talc	Magnesium silicate rock-forming mineral, formed by metamorphism of magnesian minerals in ultramafic rock, or hydrothermal alteration of mafic rock.
Tectonic	Relating to stresses and displacements over large areas, related to crustal plate movements.
Thrust fault	Inclined or flat-lying fault in which a slab of rock over-rides adjacent rocks.
Ultramafic	Rock composed mostly of mafic minerals, rich in magnesium, low in silica representing melting of near-surface mantle rocks.
Vein	Fracture filled with mineral material, most commonly hydrothermal quartz.
Xenocryst	A crystal foreign to the rock in which it occurs
Xenolith	Inclusion of foreign rock in a granitic, gneissic or migmatitic rock.
Zircon	ZrSiO ₄ – a common robust accessory mineral crystallising in granitic rocks and able to preserve radiogenic trace elements.

Appendix 1 JORC TABLE 1

Section 1 Sampling Techniques and Data

Criteria	Explanation
<i>Sampling techniques</i>	Soil Sampling: Historical soil surveys referred to in this report (A) were collected by Toyota-mounted power auger to depths of 1-2metres. Soil surveys taken by shovel scoops for the surface are not considered in this report. Rock Chips: No rock chips analyses used in this report have been previously released by Athena.
<i>Drilling techniques</i>	RAB drilling: No RAB drilling is referred to in this report. RC drilling: Previous RC drilling referred to in this report has been collated mostly from digital datasets submitted to GSWA. Core drilling: Some dedicated core holes have been drilled. Some RC holes have diamond tails for structural, mineralogical and metallurgical studies.
<i>Drill sample recovery</i>	The recoveries of RC and DD drilling have not been examined, as it is not necessary for the production of this report.
<i>Logging</i>	Lithological Log codes are available for all historic drill programs at Byro.
<i>Sub-sampling techniques and sample preparation</i>	For RC drilling, drill cuttings were passed through a rig-mounted cyclone, then cone splitter with in-line riffle splitter. Bulk cuttings were collected at one-meter intervals in bulk plastic bags, along with 3kg representative sample from the splitter, collected in small calico bags, and used for analysis.
<i>Quality of assay data and laboratory tests</i>	Historical assays as recorded in this report have been done by a variety of proprietary codes by commercial laboratories. These generally involve weigh, dry and pulverise to about 75µ, and elemental assay of a 50g charge by AAS and ICPMS. All analyses are total. Commercial laboratories used by previous explorers report their own internal standards, and approximately one-in-ten repeats for gold, and repeats of selected high-grade results. QA/QC procedures of the exploration companies are recorded in digital assay files for more recent analyses. Certificates of analyses issued by the analytical companies are present.
<i>Verification of sampling and assaying</i>	No verification of historical assays has been attempted. No twinned holes have been done. No adjustments of any historic analyses have been made.
<i>Location of data points</i>	DD and RC holes are located from statutory digital reports to DMIRS, and are on GDA94.
<i>Data spacing and distribution</i>	Data spacing is considered suitable for resource estimation. Sampling and analysis has been done on a meter-by-meter basis of zones of mineralisation.
<i>Location of data points</i>	No mineral resource estimation is done by the author of this report. Attributes and results for previous RC drilling are of sufficient quality for inclusion in any future resource estimation.
<i>Orientation of data in relation to geological structure</i>	Azimuths of all previous RC drilling are orthogonal to strike of the mineralised layer. Drill-hole inclination of 60° generally gives intersections at highest possible angle. Some true thicknesses are quoted in the report
<i>Sample security</i>	It is understood that all samples for Athena drilling have been personally delivered to laboratories by Athena personnel. The one-metre splits have been removed from site and stored in a locked yard No records of historic sampling security procedures exist.
<i>Audits or reviews</i>	Audit of sampling techniques of previous drilling is not possible.

Section 2 Reporting of Exploration Results

Criteria	
<i>Mineral tenement and land tenure status</i>	All tenements subject to this IGR are shown on DMIRS public spatial data sets. There are no overlapping nature reserves, or contested overlaps. All tenements are granted. It is understood two tenements are currently subject to plaint. .

<i>Exploration done by other parties</i>	All WAMEX open-files relating to Byro properties have been assessed and those directly relevant are summarized in the Report.
<i>Geology</i>	Athena's projects lie in Archaean gneiss of the Narryer Terrain of the Yilgarn Craton. BIFs and mafic complexes are the focus of exploration and development targets.
<i>Drill hole Information</i>	The details (including easting, northing, total depth, azimuth, dip and significant intersections) of material drilling data at Athena's prospects and deposits are given in the Report. Significant intersections are down-hole intersections. All intersections quotes have previously been released to ASX by Athena.
<i>Data aggregation methods</i>	Significant intercepts tabulated in the Report are arithmetic averages of uncut single metre values that exceed 20%Fe. Exploration drilling results quoted in this report are arithmetic averages of uncut meter-by meter analyses of Fe. .
<i>Relationship between mineralisation widths and intercept lengths</i>	All intercepts quoted in this report are down-hole widths and are not true widths.
<i>Diagrams</i>	Appropriate maps and cross-sections are included in the IG Report. All cross sections are from ASX releases by Athena
<i>Balanced reporting</i>	Only intercepts that are significant and relevant to iron are included in the IG Report.
<i>Other substantive exploration data</i>	All available exploration data, including aeromagnetic imagery, soil surveys and drilling have been considered in the production of this IG Report.
<i>Further work</i>	Further work will be as detailed in the Work Program and Budget of this Prospectus. It will mainly involve resource drilling and ore characterisation on the iron project, and target drilling for base metal.

Annexure B – Solicitor’s Report on Tenements

14 July 2021

The Directors
Athena Resources Ltd
24 Colin Street
West Perth WA 6005

Dear Sirs

SOLICITOR'S REPORT

1. Introduction

This report is prepared for inclusion in a prospectus (**Prospectus**) to be dated on or about 15 July 2021 for issue by Athena Resources Limited ACN 113 758 900 (**Athena**) of one share for every one share held by those Shareholders registered at the Record Date at an issue price of \$0.008 per Share to raise up to \$2,888,270 (before costs).

The report relates to Western Australian mining tenements (**Tenements**) in which Athena holds an interest. The attached Tenement Schedule (**Schedule**) and notes to the Schedule contain an overview of the Tenements. Section 6 and Annexure A of the Prospectus, which does not form part of this report set out technical information relating to the Tenements.

2. Opinion

Based on our searches and enquiries and subject to the assumptions and qualifications set out below, we confirm that as at 1 July 2021:

- (a) the details of the Tenements referred to in the Schedule are accurate as to the status and registered holders of those Tenements;
- (b) unless otherwise specified in this report, the Tenements are in good standing and all applicable rents have been paid;
- (c) none of the Tenements are subject to any unusual conditions of a material nature other than as disclosed in the Schedule;

- (d) this report provides accurate statements as to third party interests, including encumbrances in relation to the Tenements ascertainable from our searches and the information provided to us; and
- (e) subject to the comments below relating to standard, administrative authorisations (which are normally applied for only at the time of finalising the details of individual exploration plans), or as otherwise detailed in the Schedule or the Prospectus, there are no legal, regulatory or contractual impediments to Athena undertaking works on the Tenements.

3. Searches

For the purpose of this report, we have conducted the following searches and enquiries on the 1st of July 2021:

- (a) searches of the Tenements in the mining tenement register (**DMIRS Register**) maintained by the Department of Mines, Industry Regulation and Safety of Western Australia (**DMIRS**) pursuant to the Mining Act 1978 (WA) and Mining Regulations 1981 (WA) (**Mining Act**); and
- (b) quick appraisal searches of the Tenements summarising information obtained online from the 'TENGRAPH' system maintained by the DMIRS;
- (c) searches of the Aboriginal Heritage Inquiry System of the Department of Planning, Lands and Heritage (**DPLH**) for "Registered Aboriginal Sites".

4. Assumptions and qualifications

In preparing this Report:

- (a) we have assumed the accuracy and completeness of results of the searches of the DMIRS Register and other information obtained from the DMIRS and DPLH;
- (b) we have assumed all contracts, agreements or arrangements have been supplied to us and were within the capacity and powers of, and were validly authorised, executed and delivered by and binding on each party to them, and where applicable, duly stamped;
- (c) where any agreement, dealing or act (including disturbing the land for exploration or mining) affecting the Tenements requires an authorisation, approval, permission or consent (**Authorisation**) under the Mining Act, or any other relevant legislation, we have assumed that Authorisation has been or will be granted in due course;

- (d) where any dealing in the Tenements has been lodged for registration but is not yet registered, we express no opinion as to whether the registration will be effected, or the consequences of non-registration;
- (e) we have assumed that Athena has complied with all applicable provisions of the Mining Act and all other legislation relating to the Tenements and from our searches and enquiries, there is nothing to indicate that this is not the case;
- (f) we have not researched the underlying land tenure in respect of the Tenements to determine if native title rights have or have not been extinguished, or the extent of any extinguishment, other than as disclosed in the “quick appraisal” searches referred to in paragraph 3(b) above; and
- (g) other than as can be ascertained from the database maintained by the DPLH (as set out in paragraph 3(c) above, we have not researched the area of the Tenements to determine if there are any additional or unregistered sites of significance to aboriginal people within the area.

The Schedule sets out a brief description of the Tenements and a summary of any encumbrances, conditions and endorsements on title. In relation to the Schedule, we make the following comments:

- (a) references to the areas of the Tenements are taken from the details shown on the tenement searches, it is not possible to verify those areas without conducting a survey which has not been undertaken;
- (b) the area of the Tenements, as shown in the Schedule, might be reduced by the existence of pre-existing mining tenements situated within the boundaries of the relevant Tenement resulting in the area of the earlier mining tenement being excised from the grant of the Tenement; and
- (c) the rights of a holder of a mining tenement are subject to compliance by that holder with the terms and conditions attached to each Tenement and generally under the Mining Act and other relevant legislation.

5. Western Australia Tenements

Mining tenements in Western Australia comprise prospecting licences (prefixed “P”), exploration licences (prefixed “E”) and mining leases (prefixed “M”) granted pursuant to the Mining Act as well as certain ancillary titles.

In accordance with the Mining Act, the holder of a mining tenement is permitted to explore for all minerals including oil shale, but excluding sand or clay occurring on private land. Exploration or mining for iron is also excluded unless it has been authorised by the responsible Minister and endorsed on the mining tenement title. Under the Petroleum

and Geothermal Energy Resources Act 1987 (WA), petroleum and geothermal energy resources are also excluded from the grant of a mining tenement.

In addition to the Authorisations and approvals described below, it is a requirement that any ground disturbing work carried out on a mining tenement has been approved by the DMIRS. Such approvals may involve referral by the DMIRS to other Government agencies and any approvals given may be subject to special conditions. Approvals are generally required for an exploration program to be undertaken and are submitted to the DMIRS for approval at an administrative level.

(a) Prospecting Licences

Athena does not hold any prospecting licences.

(b) Exploration Licences

An exploration licence permits the holder to explore over land up to a maximum 200 graticular blocks in designated areas of Western Australia and a maximum of 70 graticular blocks elsewhere. Graticular blocks comprise one minute of longitude by one minute of latitude and therefore range in area from approximately 2.8km² to 3.3 km². There is no limit to the number of exploration licences which may be held by any one person.

An exploration licence authorises the holder to enter land using vehicles, machinery and equipment as may be necessary or expedient for the purpose of exploring for minerals in, on or under the land.

Exploration licences are granted with five year terms which may be extended by one period of five years and then by further two year periods if the Minister is satisfied that a 'prescribed ground' for extension exists.

'Prescribed grounds' for extension include circumstances when the holder experienced difficulties or delays arising from governmental, legal, climatic or heritage reasons, where work carried out justifies further prospecting, or where the Minister considers the land has been unworkable for whole or a considerable part of any year of the term.

Exploration licences are subject to a requirement that the holder relinquishes 40% of the tenement area at the end of the initial five year period. The Minister may defer the relinquishment requirement for one further year if satisfied that a prescribed ground for deferral exists. No exemption from the relinquishment requirement is available.

During the first year of grant of an exploration licence, a legal or equitable interest in or affecting the exploration licence cannot be transferred or otherwise dealt

with, whether directly or indirectly, without the prior written consent of the Minister. A transfer after the first anniversary of the grant of an exploration licence requires no such approval.

During the term of an exploration licence, the holder may apply for and have granted subject to the Mining Act, one or more mining leases over any part of land subject to the exploration licence. Where an application for a mining lease is made, and the term of the exploration licence is due to expire prior to the mining lease application being determined, the exploration licence will continue in force over the land subject to the mining lease application pending the outcome of that mining lease application.

Annual rent and shire rates are payable in respect of exploration licences. Exploration licences are subject to minimum annual expenditure requirements which are set out in the Schedule. The holder of an exploration licence may apply for exemption from compliance with minimum expenditure requirements on certain grounds set out in the Mining Act or at the discretion of the Minister. A failure to comply with expenditure requirements, unless exempted, renders the exploration licence liable to forfeiture.

Forfeiture of Exploration Licences

The Minister may make an order for the forfeiture of an exploration licence for any of the following reasons:

- (i) failure to pay rent or royalty;
- (ii) non-compliance with conditions of an exploration licence such as lodgment of a report as required by the Mining Act;
- (iii) failure to comply with certain provisions of the Mining Act;
- (iv) failure to satisfy minimum expenditure conditions; or
- (v) if the holder is convicted of an offence under the Mining Act.

A third party may also make an application to have an exploration licence forfeited due to a failure by the holder to comply with the terms of the exploration licence (most commonly, a failure to meet statutory minimum expenditure requirements). Such application for forfeiture in respect of expenditure conditions must be made during the tenement year in which there is non-compliance, or within eight months thereafter.

The Minister may only make an order for forfeiture if the Minister is satisfied that non-compliance is of sufficient gravity to justify the forfeiture of the exploration licence.

The Minister may impose a penalty instead of forfeiting the exploration licence. The penalty must not exceed \$10,000 in a case where minimum expenditure conditions have not been complied with, and not exceed \$50,000 in any other case.

(c) Mining Leases

A mining lease authorises the holder to work and mine the land, and take and remove from the land any minerals and dispose of them, and to do all acts and things necessary to effectually carry out mining operations in, on, or under the land subject to the mining lease.

A mining lease may only be granted if the application is accompanied by either a mining proposal or a 'statement' setting out information about the mining operations that are likely to be carried out on the mining lease together with a mineralisation report prepared by a qualified person. If a statement and mineralisation report are lodged, the Director, Geological Survey must be satisfied that there is significant mineralisation in, on, or under the land to which an application for a mining lease relates. For the purposes of the Mining Act 'significant mineralisation' is defined as a deposit of minerals where exploration results indicate that there is a reasonable prospect of minerals being obtained by mining operations.

Every granted mining lease is subject to a condition requiring the lessee, before carrying out mining operations of a prescribed kind on any part of the land the subject of the lease (including open-cut, underground, quarrying, dredging, harvesting, scraping, leaching and tailing treatment operations together with incidental construction activities), to lodge (and have approved) a mining proposal. Mining proposals are required to detail all matters relating to the environmental management of a proposed project including mine closure and rehabilitation.

A mining lease is granted for a term of 21 years and may be renewed for successive terms upon application to the Minister. A term of renewal must not exceed 21 years.

Annual rent and shire rates are payable in respect to mining leases and the holder of a mining lease must expend or cause to be expended \$100 per hectare (with a minimum of \$10,000) annually during each year of the term of the lease. If the mining lease does not exceed 5 hectares the minimum annual expenditure will be \$5,000.

Forfeiture of Mining Leases

The Minister may forfeit a mining lease in the same manner and for the same reasons as apply to an exploration licence (described above).

6. Royalties

Tenement holders must pay royalties on minerals (including material containing minerals) obtained from a mining tenement to the state government. Royalties are payable quarterly and must be accompanied by a royalty return in an approved form. The holder of a mining tenement must provide a quarterly production report commencing at the expiration of the first quarter during which any mineral is produced or obtained from that mining tenement. Royalty rates and methods of calculation differ depending on the type of mineral produced or obtained from a mining tenement.

7. Rehabilitation levies or securities

In Western Australia a mining rehabilitation levy system applies which requires a tenement holder to pay a levy based on the area it has disturbed on a tenement (and on the estimate of the cost of rehabilitation of such area). In certain circumstances, a tenement holder may also be required to lodge a bank guaranteed performance bond to secure the performance of a tenement holder's rehabilitation obligations on a mining tenement.

A tenement holder may also be liable to pay a safety levy based on the number of hours spent working on a group of tenements (including all employees or contractors).

8. Native Title

Native Title or claims for native title exist over large areas of Western Australia and will likely affect new mining tenements. The Schedule sets out relevant native title claims (if any) affecting the Tenements. The existence of a lodged claim does not necessarily mean that native title exists over the area claimed, nor does the absence of a claim necessarily indicate that no native title exists in an area. The existence of native title will be established pursuant to the determination of claims by the Federal Court.

The grant of a mining tenement is a 'Future Act' for the purposes of the *Native Title Act 1993* (Cth) (**NTA**). A Future Act is an activity or development on land or waters that affects native title. Native title claimants' gain the 'right to negotiate' in relation to the grant of certain mining tenements if their native title claim is registered at the time the government issues a notice (known as a section 29 notice), stating it intends to do the act (ie grant the mining tenement), or if their claim becomes registered within four months after that notice. The right to negotiate might apply to the grant of any type of mining tenement, but in practice, it applies predominantly to the grant of a mining lease. The right to negotiate describes a process whereby the tenement applicant and native title

claimant must negotiate in good faith to attempt to resolve any potential concerns the native title claimants may have arising from the mining lease application or its grant.

In some cases (predominantly in respect of exploration or prospecting licences) the Western Australia State Government applies a 'fast track' procedure (the 'expedited procedure') in place of the right to negotiate process. If the proposed grant of a mining tenement is advertised under the expedited procedure, native title parties can lodge an objection to the use of the expedited procedure for the grant of the mining tenement. If there is no objection lodged, the mining tenement can be granted. If an objection is lodged, the parties may either negotiate and reach agreement, or apply to the National Native Title Tribunal (NNTT) for a determination of the matter.

It is a policy of the DMIRS to apply the expedited procedure to the grant of exploration and prospecting licences where the applicant has executed a Regional Standard Heritage Agreement (RSHA) or has an existing Alternative Heritage Agreement (AHA) in place. In the absence of such an agreement, applications will be subject to the right to negotiate procedure.

A RSHA or AHA is intended to address potential Aboriginal heritage concerns with respect to work on the area subject to a mining tenement. The agreements generally provide for a native title party to withdraw their objection to the expedited procedure and consent to the grant of the mining tenement upon the terms of the agreement. Agreements commonly include a procedure for the carrying out of surveys ahead of ground disturbing activities to determine if any sites or objects of significance to Aboriginal people exist in the area. Other terms such as compensation payable to the native title party might be included.

9. Validity of titles

(a) Right to Negotiate Procedure

Mining tenements granted after 23 December 1996 that affect native title will be valid only if the applicable processes of the NTA have been complied with. Under the right to negotiate procedures, parties are required to negotiate in relation to the grant of the proposed Future Act, eg the grant of a mining tenement. Negotiations are initiated to obtain the agreement of the relevant native title parties to the carrying out of the proposed Future Act. The right to negotiate procedure consists of a statutory minimum six month period of negotiation between the relevant government party, the native title party and the grantee, during which time the parties must negotiate in good faith with a view to reaching agreement about the doing of the Future Act.

If parties cannot reach agreement as to the terms of grant, a negotiation party may apply to the NNTT (as the arbitral body) to make a determination as to whether the grant may proceed (and if so, on what conditions).

(b) **Compensation**

The Mining Act makes mining tenement holders liable for any native title compensation that may be payable as a result of the grant of the mining tenement. If the existence of native title is proven over any of the land subject to the Tenements, and the native title holders make an application to the Federal Court for compensation, the tenement holder may be liable to pay any compensation awarded.

(c) **Conversion to Mining Lease**

In relation to the tenements in Western Australia undergoing a conversion from an exploration licence or prospecting licence to a mining lease over an area where native title claims are lodged and registered, the mining lease will be subject to the right to negotiate process, unless Athena has earlier entered into an agreement with the claimants that permits such conversion.

10. Aboriginal Heritage

(a) **Commonwealth**

The Aboriginal and Torres Strait Islander Heritage Protection Act 1984 (Cth) (**Commonwealth Heritage Act**) is aimed at the preservation and protection of any Aboriginal areas and objects that may be located on the Tenements.

Under the Commonwealth Heritage Act, the Minister for Aboriginal Affairs may make interim or permanent declarations of preservation in relation to significant Aboriginal areas or objects, which can affect exploration activities. Compensation is payable by the Minister to a person who is, or is likely to be, affected by a permanent declaration of preservation.

(b) **Western Australia**

Holders of mining tenements in Western Australia are subject to the Aboriginal Heritage Act 1972 (WA) (**WA Heritage Act**), which protects sites that may be of spiritual, cultural or heritage significance to Aboriginal people (**Aboriginal Site**). The Western Australia Department of Planning, Land and Heritage (which incorporates the former Department of Aboriginal Affairs) maintains a register of Aboriginal Sites but registration of an Aboriginal Site is not required by the WA Heritage Act.

To alter or damage an Aboriginal Site without approval is an offence under the WA Heritage Act that can lead to prosecution. Any party disturbing an area of the State has an obligation to avoid interfering with an Aboriginal Site. To satisfy this obligation, tenement holders commonly undertake Aboriginal heritage surveys which involve the relevant traditional owners and as necessary, an archaeologist or anthropologist walking the land identifying sites and discussing the impact of proposed exploration activity. The costs of a heritage survey are met by the tenement holder.

Surveys to identify sites and objects of significance to Aboriginal people are commonly carried out in accordance with terms set out in an RSHA or AHA (both described in Part 8 above). Where native title has been determined to exist, the obligation to carry out such survey, and the terms by which they must be carried out, may be set out in an “indigenous Land Use Agreement” (ILUA). ILUA’s range from very detailed agreements negotiated by the State and the relevant native title holders to cover entire native title areas to agreements between individual companies and the native title holders. The National Native Title Tribunal maintains a register of ILUA’s.

The Government of Western Australia has released the Aboriginal Cultural Heritage Bill 2020 for public consultation. Whilst the new Bill (if passed in its current form) fundamentally changes the way Aboriginal Cultural Heritage is managed in Western Australia, the practice described above, being the conduct of surveys to identify areas that may contain or constitute areas of Aboriginal Cultural Heritage before conducting exploration, will likely continue under the new Bill.

(c) Aboriginal Sites within the Tenements

Other than the search of the DPLH register described in part 3(c) of this report, we have not undertaken any searches or investigations as to whether there are or may be any sites protected by the Commonwealth Heritage Act or the WA Heritage Act within the area of the Tenements. It is common practice for an explorer to undertake heritage surveys only over areas about to be disturbed and only when work is imminent.

11. Consent

This report is given on 14 July 2021 and unless specified to the contrary, speaks only to the laws in force on that date. House Legal has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included and has not withdrawn that consent before the lodgement of the Prospectus with ASIC.

12. Disclosure of Interest

House Legal will be paid normal and usual professional fees for the preparation of this report and related matters, as set out elsewhere in the Prospectus.

Yours faithfully



Stuart House
Principal

SCHEDULE 1 TENEMENTS

Tenement	Holder	Status	Area	Application Date	Grant Date	Expiry Date	Required Expenditure	Notes
Byro Project								
E09/1507-I	Byro 20% Complex 80%	Live	77 blocks	10/12/2007	23/10/2009	22/10/2021	\$231,000	1 to 9, 17, 18, 24, 25, 26
E09/1552-I	Byro 20% Complex 80%	Live	11 blocks	05/06/2008	23/10/2009	22/10/2021	\$70,000	1 to 6, 18, 19, 24, 25, 26
E09/1637-I	Byro 20% Complex 80%	Live	19 blocks	06/05/2009	23/03/2010	22/03/2022	\$70,000	1, 3 to 6, 10 to 12, 18, 20, 26
E09/1781-I	Byro 20% Complex 80%	Live	16 blocks	10/05/2010	14/04/2011	13/04/2023	\$70,000	1, 3 to 6, 8, 10, 11, 13, 18, 21
E09/1938-I	Complex 100%	Live	11 blocks	12/08/2011	29/06/2012	28/06/2022	\$70,000	1, 3 to 6, 8, 10, 11, 14, 15, 18, 22
M09/166-I	Byro 20% Complex 80%	Live	670.8 ha	09/05/2016	09/04/2018	08/04/2039	\$67,100	3 to 6, 11, 14, 16, 18, 19, 27
M09/168-I	Complex 100%	Live	732.4 ha	06/10/2016	09/04/2018	08/04/2039	\$73,300	3 to 6, 11, 14, 16, 18, 23, 27

Holders

Byro Byro Exploration Pty Ltd ACN 105 744 223
Complex Complex Exploration Pty Ltd ACN 128 394 490

Notes

Conditions and endorsements

Each of the Tenements are subject to standard statutory conditions. These standard conditions compel the tenement holder to promptly report to the Minister responsible for the administration of the Mining Act all minerals of economic interest discovered within the Tenements. The standard conditions also stipulate that a tenement holder obtain the consent of an officer of the Department of Mines, Industry Regulation and Safety (**DMIRS**) prior to conducting any ground disturbing work, basic environmental and rehabilitation conditions (such as filling or otherwise making safe all holes, pits, trenches and other disturbances to the surface of the land which are made whilst exploring for minerals) and a requirement to prevent fire, damage to trees or other property, damage to livestock. In addition to these standard conditions, the following applies:

1. All surface holes drilled for the purpose of exploration are to be capped, filled or otherwise made safe immediately after completion.
2. All costeans and other disturbances to the surface of the land made as a result of exploration, including drill pads, grid lines and access tracks, being backfilled and rehabilitated to the satisfaction of the Environmental Officer, DMIRS. Backfilling and rehabilitation being required no later than 6 months after excavation unless otherwise approved in writing by the Environmental Officer, DMIRS.
3. All waste materials, rubbish, plastic sample bags, abandoned equipment and temporary buildings being removed from the mining tenement prior to or at the termination of exploration program.
4. Unless the written approval of the Environmental Officer, DMIRS is first obtained, the use of drilling rigs, scrapers, graders, bulldozers, backhoes or other mechanised equipment for surface disturbance or the excavation of costeans is prohibited. Following approval, all topsoil being removed ahead of mining operations and separately stockpiled for replacement after backfilling and/or completion of operations.
5. The Licensee notifying the holder of any underlying pastoral or grazing lease by telephone or in person, or by registered post if contact cannot be made, prior to undertaking airborne geophysical surveys or any ground disturbing activities utilising equipment such as scrapers, graders, bulldozers, backhoes, drilling rigs; water carting equipment or other mechanised equipment.
6. The Licensee or transferee, as the case may be, shall within thirty (30) days of receiving written notification of:
 - a. the grant of the Licence; or

b. registration of a transfer introducing a new Licensee;

advise, by registered post, the holder of any underlying pastoral or grazing lease details of the grant or transfer.

7. No interference with Geodetic Survey Station NMF 411, NMF 412, R 12, R13 and R538 and mining within 15 metres thereof being confined to below a depth of 15 metres from the natural surface.
8. No interference with the use of the Aerial Landing Ground and mining thereon being confined to below a depth of 15 metres from the natural surface.
9. Consent to conduct exploration activities on Stock Route Reserve 9701 granted, subject to no exploration activities being carried out on Stock Route Reserve 9701 which restrict the use of the reserve.
10. In respect to the area of land designated File Notation Area (**FNA 7618**) for the Square Kilometre Array Project, the following additional conditions shall apply:
 - a. prior to carrying out any on-ground activities, the Licensee developing a plan of activities to ensure that electromagnetic emissions from those activities will not interfere with the radio-quiet requirements of the Murchison Radio-astronomy Observatory. The plan shall be submitted to the Australian SKA Coordination Committee's "Coordinator for Land Management Issues" at the DMIRS for approval by the Director General of DMIRS; and
 - b. the approved plan to be included with any "Program of Work" or "Mining Proposal" submitted to DMIRS for approval under the Mining Act 1978.

The area of each tenement affected by FNA 7618 (and therefore the restrictions above) is set out below under the sub-heading "Underlying land uses, native title and Aboriginal Heritage sites".

11. All disturbances to the surface of the land made as a result of exploration, including costeans, drill pads, grid lines and access tracks, being backfilled and rehabilitated to the satisfaction of the Environmental Officer, DMIRS. Backfilling and rehabilitation being required no later than 6 months after excavation unless otherwise approved in writing by the Environmental Officer, DMIRS.
12. No above ground or below ground activity is to be undertaken within 25 metres of the Gas/Petroleum pipeline contained within Petroleum Pipeline Licence No. 89 as shown in Tengraph (**Pipeline Easement**) without the prior approval of the operators of the Gas/Petroleum pipeline and the Executive Director, Environment, DMIRS. With respect to the Pipeline Easement:

- a. the rights of ingress to and egress being at all times preserved for employees, contractors and agents of the operators of the Gas/Petroleum pipeline;
 - b. no interference with the drainage pattern, and no parking, storage or movement of equipment or vehicles used in approved activities without the prior approval of the operators of the Gas/Petroleum pipeline; and
 - c. no explosives being used or stored (such restriction extending to one hundred and fifty (150) metres of the Gas/Petroleum pipeline) without the prior written consent of the Director, Petroleum, DMIRS.
13. Consent to explore on De Grey Mullewa Stock Route Reserve 9701 granted subject to no exploration activities being carried out on the reserve which restrict the use of the reserve.
14. In respect to Proclaimed Ground Water Areas (which affects all of the licence), the taking of groundwater and the construction or altering of any well is prohibited without current licences for these activities issued by the DWER, unless an exemption otherwise applies.
15. No interference with Geodetic Survey Station BYRO 14 and mining within 15 metres thereof being confined to below a depth of 15 metres from the natural surface.
16. In respect to Water Resource Management Areas (**WRMA**) (which affects all of the licence) the following endorsements apply:
 - a. The Licensee's attention is drawn to the provisions of the:
 - i. Waterways Conservation Act, 1976;
 - ii. Rights in Water and Irrigation Act, 1914;
 - iii. Metropolitan Water Supply, Sewerage and Drainage Act, 1909;
 - iv. Country Areas Water Supply Act, 1947; and
 - v. Water Agencies (Powers) Act 1984.
 - b. The rights of ingress to and egress from, and to cross over and through, the mining tenement being at all reasonable times preserved to officers of Department of Water and Environmental Regulation (**DWER**) for inspection and investigation purpose.

- c. The storage and disposal of petroleum hydrocarbons, chemicals and potentially hazardous substances being in accordance with the current published version of the DWER relevant Water Quality Protection Notes and Guidelines for mining and mineral processing.
- d. The taking of groundwater from an artesian well and the construction, enlargement, deepening or altering of any artesian well is prohibited unless current licences for these activities have been issued by DWER.
- e. Advice shall be sought from the Department of Water and Environmental Regulation (DWER) if proposing any mining/activity in respect to mining operations within a defined waterway and within a lateral distance of:
 - i. 50 metres from the outer-most water dependent vegetation of any perennial waterway; and
 - ii. 30 metres from the outer-most water dependent vegetation of any seasonal waterway.
- f. Measures such as drainage controls and stormwater retention facilities are to be implemented to minimise erosion and sedimentation of adjacent areas, receiving catchments and waterways.
- g. All activities to be undertaken so as to avoid or minimise damage, disturbance or contamination of waterways, including their beds and banks, and riparian and other water dependent vegetation.

Underlying land uses, native title and Aboriginal Heritage sites

- 17. This tenement overlies:
 - a. the “C” Class Reserve - De Grey Mullewa Stock Route (approximately 10% of the tenement area);
 - b. the Milly Milly Pastoral Lease N050485 (approximately 15% of the tenement area); and
 - c. the Byro Pastoral Lease N050480 (approximately 73% of the tenement area).
- 18. This tenement overlies the Wajarri Yamatji (WCD2017/007) native title determination.
- 19. This tenement overlies the Byro Pastoral Lease N050480.
- 20. This tenement overlies:
 - a. the Milly Milly Pastoral Lease N050485 (approximately 49% of the tenement area);

- b. the Byro Pastoral Lease N050480 (approximately 51% of the tenement area); and
- c. the File Notation Area (FNA 7618) for the Square Kilometre Array Project (as to approximately 3.5% of the tenement area)

21. This tenement overlies:

- a. the “C” Class Reserve - De Grey Mullewa Stock Route (approximately 6% of the tenement area);
- b. the Byro Pastoral Lease N050480 (approximately 94% of the tenement area); and
- c. the File Notation Area (FNA 7618) for the Square Kilometre Array Project (as to approximately 16% of the tenement area).

22. This tenement overlies:

- a. private land (approximately 4% of the tenement area);
- b. the Mt Narryer Pastoral Lease N050493 (approximately 96% of the tenement area); and
- c. the File Notation Area (FNA 7618) for the Square Kilometre Array Project (as to approximately 8% of the tenement area).

23. This tenement overlies the Mt Narryer Pastoral Lease N050493.

Actions affecting title

- 24. Alexander Creek Pty Ltd has objected to an application for exemption from expenditure made by the tenement holder for the tenement year ending 22 October 2020 and has lodged an application for forfeiture of the tenement. Refer to section 8.2(b) of this prospectus for further information.
- 25. These tenements are due to expire in October 2021. The Mining Act 1978 allows for the terms of the tenements to be extended. The Company’s intentions with respect to extension are described in section 8.2(c) of this prospectus which does not form part of this report.

Aboriginal Heritage and Native Title agreements

- 26. Complex, Byro and the Yamatji Marlpa Aboriginal Corporation as agent for the Wajarri Yamatji Claim Group (Wajarri Yamatji Peoples) are parties to an agreement dated 31 August 2009 which provides for the conduct of surveys to identify any Aboriginal sites or objects ahead of exploration or mining works being carried out.

27. Complex, Byro and various individual native title claimants acting on behalf of the Wajarri Yamatji Claim Group (**Wajarri Yamatji Peoples**) are parties to two agreements, one each affecting M09/166 and M09/168 to facilitate the grant of each mining lease. The agreements provides for the conduct of surveys to identify any Aboriginal sites or objects ahead of exploration or mining works being carried out as well as the payment of compensation linked to production and additional benefits to support employment and business development with the Wajarri Yamatji Peoples.

Annexure C – Independent Limited Assurance Report

14 July 2021

The Board of Directors
Athena Resources Limited
46-50 Kings Park Road
WEST PERTH WA 6005

Dear Board Members

INDEPENDENT LIMITED ASSURANCE REPORT ON THE HISTORICAL AND PRO FORMA FINANCIAL INFORMATION OF ATHENA RESOURCES LIMITED

Introduction

This Independent Limited Assurance Report ("Report") has been prepared for inclusion in a prospectus to be dated on or around 14 July 2021 ("Prospectus") and issued by Athena Resources Limited ("Athena Resources" or the "Company") in relation to the Company's rights issue of 361,033,779 shares at an issue price of \$0.008 to raise \$2,888,270 ("Offer").

This Report has been included in the Prospectus to assist potential investors and their financial advisers to make an assessment of the financial position and performance of Athena Resources. All amounts are expressed in Australian dollars and expressions defined in the Prospectus have the same meaning in this Report.

This Report does not address the rights attaching to the shares to be issued in accordance with the Offer, nor the risks associated with accepting the Offer. HLB Mann Judd ("HLB") has not been requested to consider the prospects for Athena Resources, nor the merits and risks associated with becoming a shareholder, and accordingly has not done so, nor purports to do so. HLB has not made and will not make any recommendation, through the issue of this Report, to potential investors of the Company, as to the merits of the Offer and takes no responsibility for any matter or omission in the Prospectus other than the responsibility for this Report. Further declarations are set out in Section 7 of this Report.

Structure of Report

This Report has been divided into the following sections:

1. Scope of Report;
2. Directors' Responsibility;
3. Our Responsibility;
4. Conclusions;
5. Restriction on Use;
6. Liability; and
7. Declarations.

1. Scope of Report

You have requested HLB to perform a limited assurance engagement and to report on the Financial

hlb.com.au

HLB Mann Judd (WA Partnership) ABN 22 193 232 714

Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849

T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

Information as set out in Section 7 of the Prospectus:

Historical Financial Information

The Historical Financial Information, as set out in Section 7 of the Prospectus, comprises:

- the audited consolidated historical Statement of Financial Position as at 30 June 2020 and audited historical Statement of Profit or Loss and Statement of Cash Flows of the Group for the year then ended.
- the reviewed consolidated historical Statement of Financial Position as at 31 December 2020 and reviewed historical Statement of Profit or Loss and Statement of Cash Flows of the Group for the period then ended.
- the reviewed consolidated historical Statement of Financial Position as at 30 June 2021 and reviewed historical Statement of Profit or Loss and Statement of Cash Flows of the Group for the year then ended.

Pro Forma Financial Information

The Pro Forma Financial Information, as set out in Section 7 of the Prospectus, comprises:

- the pro forma consolidated Statement of Financial Position of the Company as at 30 June 2021 and supporting notes which include the pro forma adjustments.

The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the Financial Information and the events or transactions to which the pro forma adjustments relate, as if those transactions or events had occurred as at 30 June 2021. Due to its nature, the Pro Forma Financial Information does not represent the Group's actual or prospective financial position, financial performance or cash flows.

The Historical Financial Information and the Pro Forma Financial Information are presented in an abbreviated form insofar as they do not include all the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in Australia in accordance with the *Corporations Act 2001*.

References to "the Group" relate to the Company and its wholly-owned subsidiaries Complex Exploration Pty Ltd, Capricorn Resources Pty Ltd and Byro Exploration Pty Ltd.

This Report has been prepared for inclusion in the Prospectus. HLB disclaims any assumption of responsibility for any reliance on this Report or on the Financial Information to which this Report relates for any purpose other than the purposes for which it was prepared. This Report should be read in conjunction with the Prospectus.

2. Directors' Responsibility

The Directors of the Company are responsible for the preparation and presentation of the Financial Information. The Directors are also responsible for the determination of the pro forma adjustments set out in Section 7.8 of the Prospectus and the basis of preparation of the Financial Information.

This responsibility also includes compliance with applicable laws and regulations and for such internal controls as the Directors determine are necessary to enable the preparation of the Financial Information that is free from material misstatement.

3. Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Financial Information based on the procedures performed and evidence we have obtained. Our engagement was conducted in accordance with Australian Auditing Standards applicable to assurance engagements. Specifically, our review was

carried out in accordance with Standards on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information* and ASAE 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Historical Financial Information* and included such enquiries and procedures which we considered necessary for the purposes of this Report. Our procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures applied to the accounting records in support of the Financial Information.

The procedures undertaken by HLB in our role as Investigating Accountant were substantially less in scope than that of an audit examination conducted in accordance with Australian Auditing Standards. A review of this nature provides less assurance than an audit and, accordingly, this Report does not express an audit opinion on the Financial Information.

In relation to the information presented in this Report:

- a) support by another person, corporation or an unrelated entity has not been assumed; and
- b) the amounts shown in respect of assets do not purport to be the amounts that would have been realised if the assets were sold at the date of this Report.

4. Conclusions

Historical Financial Information

Based on our review, which was not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information of the Company as set out in Section 7 of the Prospectus does not present fairly:

- a) the audited consolidated historical Statement of Financial Position as at 30 June 2020 and audited historical Statement of Profit or Loss and Statement of Cash Flows of the Group for the year then ended;
- b) the reviewed consolidated historical Statement of Financial Position as at 31 December 2020 and reviewed historical Statement of Profit or Loss and Statement of Cash Flows of the Group for the period then ended;
- c) the reviewed consolidated historical Statement of Financial Position as at 30 June 2021 and reviewed historical Statement of Profit or Loss and Statement of Cash Flows of the Group for the year then ended;

in accordance with the measurement and recognition requirements (but not all of the presentation and disclosure requirements) of applicable Australian Accounting Standards and other mandatory professional reporting requirements.

Pro Forma Financial Information

Based on our review, which was not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Financial Information of the Group as set out in Section 7 of the Prospectus does not present fairly the Pro Forma Statement of Financial Position of the Group as at 30 June 2021, which incorporates the pro forma adjustments, as set out in Section 7.8 of the Prospectus.

5. Restriction on Use

Without modifying our conclusion, we draw attention to Section 7 of the Prospectus, which describes the purpose of the Financial Information, being for inclusion in the Prospectus. As a result, the Financial Information may not be suitable for use for another purpose.

6. Liability

The liability of HLB is limited to the inclusion of this Report in the Prospectus. HLB makes no representation regarding, and has no liability for, any other statements or other material in, or omissions from, the Prospectus.

7. Declarations

- a) HLB will be paid its usual professional fees based on time involvement, for the preparation of this Report and review of the Financial Information, which is estimated to be \$7,500 plus GST;
- b) Apart from the aforementioned fee, neither HLB, nor any of its associates will receive any other benefits, either directly or indirectly, for or in connection with the preparation of this Report;
- c) Neither HLB, nor any of its employees or associated persons has any interest in Athena Resources or the promotion of the Company or any of its subsidiaries;
- d) HLB Mann Judd has been appointed as the Company's auditors;
- e) Unless specifically referred to in this Report, or elsewhere in the Prospectus, HLB was not involved in the preparation of any other part of the Prospectus and did not cause the issue of any other part of the Prospectus. Accordingly, HLB makes no representations or warranties as to the completeness or accuracy of the information contained in any other part of the Prospectus; and
- f) HLB has consented to the inclusion of this Report in the Prospectus in the form and context in which it appears.

Yours faithfully

HLB Mann Judd
Chartered Accountants



L Di Giallonardo
Partner

Annexure D – Corporate Governance Policies

Role of the Board

The Board is responsible for guiding and monitoring the Company (and its controlled entities on behalf of the members by whom they are elected and to whom they are accountable. Given the size of the Company and the Board, the Board undertake an active role in the management of the Company.

The Board is ultimately responsible for and has the authority to determine all matters relating to the strategic directions, policies, practices, establishing goals for management and the operation of the Company.

The Board's role and the Company's Corporate Governance practices are continually being reviewed and updated to reflect the Company's circumstances and growth. The Board has adopted a Charter which sets out the responsibilities of the Board and its structure and governance, as well as the matters expressly reserved for the Board and those delegated to management. A copy of the Charter is available on the Company's website.

The Board is responsible for determining the strategic direction and objectives of the Company and overseeing management's achievements against these.

The Board has the responsibility of executives such as a Chief Executive Officer ("CEO"), Chief Operating Officer ("COO"), Chief Financial Officer ("CFO") (or their equivalent) and the Company Secretary. The Board is also responsible for approving and monitoring the progress of major capital expenditure, capital raising and management, acquisition and divesture of Company assets.

Structure of the Board

The Board currently comprises of four Directors as set out below:

Name of Director	Independent	Skill	Date of appointment/ resignation
Ed W Edwards	Non – Executive Director	Chartered Accountant	9 December 2011
Hau W Wai	Non -Executive Director	Sales and Marketing	29 December 2017
Frank Knezovic	Yes – Non-Executive Director	Lawyer	30 June 2021
David Wheeler	Yes – Non-Executive Director	Corporate Advisor	30 June 2021

The Company is guided by the Board for the selection, nomination and appointment of Directors. As part of this process the Board ascertain the qualifications and experience that a potential candidate possesses. Background checks, as appropriate are carried out before a person is appointed by the Board. Prior to the Annual General Meeting, the Board determines the suitability of a Director for re-election with reference to the outcome of annual Board performance reviews and any other relevant matters. Sufficient background information including biographical details and other directorships is provided in the Annual Report and/or the Notice of Meeting in order for shareholders to inform themselves of potential candidates and their independency.

Company Secretary

The Company Secretary is directly accountable to the Board through the Chairman, who the Company Secretary has direct contact and line of reporting to. The Company Secretary is responsible for advising the Chairman and the Board to manage the day to day governance framework of the Company. The responsibilities of the Company Secretary are contained in the Charter which is available on the Company's website.

Diversity Policy

As the Company has a small number of staff, the Board does not believe that any benefit would be obtained in setting measurable objectives for achieving gender diversity and has not done so. Neither is the Company a 'relevant employer' under the Workplace Gender Equality Act. A copy of the Company's Diversity Policy can be found on the website.

Annual Review

The Board has appointed the Chairman as the person responsible for conduction at least an annual, or as necessary, a review of the performance of key executives, both qualitative and quantitative measures will be used consistent with performance targets set annually by the Board in consultation with the respective executive. The Chairman will report to the Board on their performance and the Board will then consider any changes to remuneration and the establishment of any new performance targets.

Structure of the Board

The size and composition of the Board is determined so as to provide the Company with a broad base of industry, business, technical, administrative, financial and corporate skills considered necessary to achieve the strategic objectives of the Company.

The Board considers that the independence of Directors is based on their capacity to put the best interest of the Company and its shareholders ahead of all other interests, so that Directors are capable of exercising objective independent judgement.

The Board has regard to the potential for conflict of interest, whether actual or perceived when evaluating vacancies to be filled and the extent or materiality of these in the ongoing assessment of a director's independence. The Board is of the view that the existence of one or more of the relationships as defined the 3rd Edition will result in the Director not being classified as independent and the Company will seek to implement additional safeguards to ensure independence.

Refer to Section 9.1 of the Prospectus in respect of the independence of each Director.

Each Director is required to disclose any interest which might create a potential conflict of interest with his duties as director, or which would affect his independence. Directors are appointed in accordance with the Constitution of the Company and are appointed for a period of 3 years until the third annual general meeting following the appointment. Any Director appointed by the Board during the year stands for re- election at the next annual general meeting.

Given the size of the Company there is no formal induction process for new directors. Rather any new Director will be provided with a personalised induction which will be dependent upon the skills, experience and knowledge of the Company that the new Director may possess. A new Director induction will include meetings with management and the provision of the Company's policies and procedures.

Neither has the Company established a Nomination and Remuneration Committee to review Board membership. Due to the size of the Company this does not comply with ASX Recommendation 2.1. The Board takes the view that the interests of the Shareholders are best served with the Board, as

a whole fulfilling this role but has resolved that the situation will be monitored as the operations of the Company evolve and the formation of a Nomination and Remuneration Committee will be implemented as the necessity and opportunity arises.

Charter

The Board operates in accordance with the broad principles set out in the Charter, which is reviewed and updated by the Board on an annual basis. It has also adopted a written Code of Conduct which establishes guidelines for its conduct. The purpose of the Code of Conduct is to ensure that Directors, officers, employees and contractors act honestly, responsibly, legally and ethically and in the best interest of the Company.

Code of Conduct

The Code of Conduct aims to encourage the appropriate standards of conduct and behaviour of directors, officers, employees and contractors of the Company.

They are expected to act with integrity and objectively, striving at all times to enhance the reputation and performance of the Company. In general, the Company requires that each must comply with all laws and regulations. This includes understanding the laws and regulations relevant to their work and complying with the legal requirements of the jurisdiction in which the Company operates.

They should not engage in activities or hold or trade assets that involve, or could appear to involve, a conflict between their personal interest and the interests of the Company. The practices of the Board are aimed at promoting ethical and responsible decision making. The Board strives for a good corporate governance and industry's best practice. It specifically requires that:

- Employees of the Company act honestly, in good faith and in the best interests of the Company:
- Employees have a duty to use due care and diligence in fulfilling the functions of their position and exercising the powers attached to their employment:
- Employees must recognise that their primary responsibility is to the Company's stakeholders:
- Employees must not take advantage of their position for personal gain, or the gain of their associates:
- Directors have an obligation to be independent and unbiased in their judgements:
- Confidential information received by employees in the course of the exercise of their duties remains the property of the Company. Confidential information can only be released or used with specific permission of the Company; and
- Employees have an obligation to comply with the spirit as well as the letter of the law and with the principles of this code.

Conflicts of interest

Directors and employees must keep the Board advised on an ongoing basis, of any interest that may lead to a conflict with the interests of the Company. Where the Board believes that there is a significant or material conflict, the Director or employee concerned shall be excluded from all discussions and access to documents, including Board papers and the like, and shall not be present at any Directors meeting during the consideration or vote on such a matter.

Independence of Professional Advice

The Board has determined that individual Directors have the right to seek independent professional advice in connection with any of their duties and obligations as Director of the Company. Before a Director may obtain that advice at the Company's expense, the Director must obtain the approval of the Chairman, who will not unreasonably withhold that consent. If appropriate any advice received will be made available to the full Board. No member of the Board availed themselves of this entitlement during the year.

Committees Audit and Remuneration and Nomination.

Given the size of the Company, the Board considers it inappropriate and costly to delegate responsibilities to various Board Sub Committees and is, therefore, not in compliance with ASX Recommendation 4.1. However, procedures have been implemented that the Board considers adequate to fulfil the tasks of these committees if they had have been formed.

Audit

Every Director is entitled to seek a one on one private discussion with the audit partner and/or staff of the Company's auditor.

The audit partner may request and receive a one on one meeting with any director of the Company at any time.

The audit partner is invited to attend a meeting of directors prior to the signing of half yearly and full year financial accounts and discuss any matter considered to be appropriate.

Prior to the approval of financial statements within a reporting period, the Board requires the Executive Chairman and Chief Financial Officer to confirm, in writing, that

- the financial records of the company have been properly maintained in accordance with section 286 of the Corporations Act 2001;
- the financial statements and notes comply with the Accounting Standards; and the financial statements and notes give a true and fair view.

The external auditor is required to attend the Annual General Meeting and make himself available to answer questions from the stakeholders.

Remuneration and Nomination

The Board oversees the remuneration taking into consideration economic factors and industry trends. Management may nominate a prospective employee, if and when required. Upon receiving a detailed C.V. and conducting independent third party checks and confirmations. The Board has the responsibility of accepting or declining the appointment of an employee.

Timely and balanced disclosure

The ASX defines continuous disclosure in its Listing Rules as "the timely advising of information to keep the market informed of events and developments as they occur". ASX Listing Rules and the Corporations Act require that the Company discloses to the market matters which a reasonable person would expect to have a material effect on the price or value of the Company's securities.

The Company's Continuous Disclosure Policy is designed to meet market best practice, ensuring that all interested parties have an equal opportunity to obtain information which is issued by the Company. It is the Company's policy for the immediate reporting of any matter which could potentially have a material effect. The Non-Executive Chairman is responsible for monitoring information which could be price sensitive, liaising with the Company Secretary to make an initial assessment and

forwarding to the Board for confirmation of disclosure of such information. The Non-Executive Chairman monitors daily activity to ascertain what matters should be considered for disclosure and as soon as a matter is considered appropriate for disclosure the Non-Executive Chairman notifies the Company Secretary. It is noted that the Company must not delay in giving this information to ASX. Therefore, if not all Directors are immediately available, the Company Secretary is authorised to lodge such information upon receiving the majority of Directors approval.

It is also the Company's policy that price sensitive information will be disclosed, in the first instance to ASX, and then to others. Material information must not be selectively disclosed e.g. to analysts, the media or shareholders, prior to being announced to ASX.

The Company uses its website www.athenaresources.com as a communication tool for distribution of the annual report, market announcements and media disclosures.

Respect the rights of security holders

The Company keeps shareholders and other interested parties informed of performance and major developments via communications through its website. This includes details of the Governance framework adopted by the Company, including copies of the Corporate Governance Policies and Charters. The link is <http://www.athenaresources.com/corporate-governance/>

The Company has a Shareholders and Communications Policy that outlines the process followed to ensure communication with shareholders and the investment community is effective, consistent and adheres to the principles of continuous disclosure.

At every general or annual general meeting of shareholders, time is set aside for any shareholder to direct a question to any director. If the Chairman is of the opinion that the question is one which cannot rightfully be put before the meeting, then immediately after the meeting is closed such questions are addressed in a general forum.

In addition the website contains a function to allow interested parties to subscribe to receive electronic notification of public releases and other relevant material concerning the Company and its activities.

Recognise and manage risk

Given the size of the Company, the Board has not established a risk committee nor does it have an internal audit division. This is not in accordance with the 3rd Edition Recommendation 7.1 and 7.3. Rather the Board is responsible for the Company's risk management. The responsibility and control of risk management is overseen by the Non-Executive Chairman, with matters delegated to the appropriate level of management within the Company. The Company Secretary is responsible for assuring the systems are maintained and complied with.

The mitigation and management of financial and operational risks are agenda Board agenda items on a regular basis. The Chief Financial Officer/Company Secretary report to the Board whether the Company's assets are physical or financial risk.

The Board oversees an ongoing assessment of the effectiveness of risk management and internal compliance and control.

The responsibility for undertaking and assessing risk management lays with the Board, which is required to review efficiency and effectiveness of risk management on a regular basis and comparing against industry standards.

The risk profile of the Company includes both financial and non-financial factors including material risks arising from operational efficiency, exploration best practice and compliance with State and Federal environmental rehabilitation laws.

The Company undertakes mineral exploration activities and as such faces inherent risks to its business, including economic, environmental and social sustainability risks which may materially impact the Company's ability create or preserve value for shareholders over the short, medium or long term. The Board keeps itself informed of possible material exposure to risk that the Company may face.

Company personnel and contractors are required to attend risk meetings as and when required, especially if site visits are contemplated. The core importance to the Company is safety, which it considers a priority not only in respect to its employees and contractors but also to the community and the environment in which it operates. The Company is of the opinion that if these matters are priorities then they will act as drivers for value to shareholders. The Company has a comprehensive health and safety policy manual.

Remunerate Fairly and Responsibly

The Board has not established a Nomination or Remuneration Committee. This is not in accordance with the 3rd Edition Recommendation 8.1.

Given the size of the Board, the Directors have determined that it is neither, efficient, or viable to have a majority of independent directors forming the Committee. Nor does the Board believe that any advantage would be achieved at this juncture taking into account the size of the Company and the Board to have a separately constituted Remuneration Committee to carry out this function.

ASX Listing Rules and the Constitution require that the maximum aggregate amount of remuneration to be allocated among the non-executive Directors be approved by the shareholders in general meeting. In proposing the maximum amount of consideration by shareholders, and in determining the allocation, the Board, as a whole, take into account the time demands made on Directors, and such factors as fees paid to non-executive Directors in comparable Australian companies. The remuneration and benefits of Directors and Senior Management are disclosed in the Annual Report in the section entitled 'Directors Report'.

There are no termination and retirement benefits to non-executive directors.

The remuneration of non-executive and executive directors are contained in the Annual Report and a copy of the Remuneration & Nomination Committee Charter is available on the Company's website.

The Company does not have an equity based remuneration scheme.