



Athena
Resources
Limited

ABN 69 113 758 900

**INTERIM FINANCIAL REPORT
31 DECEMBER 2020**

DIRECTORS' REPORT



AND CONTROLLED ENTITIES

Your directors submit the financial report of the consolidated entity for the half-year ended 31 December 2020. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

DIRECTORS

The following persons were directors of Athena Resources Limited during the whole of the half-year period and up to the date of this report.

David Webster	Non Executive Chairman
Hau Wan Wai	Executive Director
Edmond Edwards	Executive Director

REVIEW OF OPERATIONS

Exploration and Evaluation

BYRO BASE METALS PROJECT

Milly Milly Intrusion (Cu/Ni/PGE)

Potential structural flow dynamics within the Milly Milly intrusion warrant an infill gravity survey planned to further define the anomaly. Gaps in ground EM data have also been highlighted warranting further moving loop EM data acquisition.

Review of diamond drill hole AHDH0007 drilled outside the interpreted intrusion boundary targeting a gravity anomaly. The hole remained in ultramafic to end of hole and showed variable geochemistry including sections of primitive ultramafic with signs of metal depletion towards the end of hole.

Moonborough Intrusion (Cu/Ni/PGE)

Recent appraisal of the central Byro, Moonborough Intrusion demonstrates compelling exploration potential. The project is at a greenfield stage hosting a significant gravity anomaly coincident with 10-year-old VTEM anomalies and drilling which intersected an ultramafic.

Geophysical Review of Electromagnetic Anomalism

Athena Resources Limited has completed assessment of the Byro Base Metal Project. Assessment included a detailed review of Electromagnetic Anomalism within the Byro tenements in cooperation with Southern Geoscience Consultants, announced on the ASX Platform on 23/03/2021.

The Review covered all historic exploration results and electromagnetic surveys including a ground GeoFerret fixed loop, time domain electromagnetic survey, (FLTEM); an airborne versatile time domain electromagnetic survey, (VTEM); ground moving loop, time domain electromagnetic surveys, (MLTEM); and down hole electromagnetic surveys, (DHEM).

DIRECTORS' REPORT



AND CONTROLLED ENTITIES

Review of the highlighted historical high priority areas covered had clear inherent problems, notably:

- FLTEM and MLTEM ground surveys had severe IP/SPM effects in the inloop responses. The FLTEM data also only surveyed single loop locations and as such, some potential conductors' geometries would have been poorly coupled and likely undetectable if present.
- VTEM was deemed partly ineffective in places due to noise from conductive regolith, Induced Polarization (IP) and superparamagnetic effects (SPM), masking late time responses.
- Follow up ground EM was not completed on recognised VTEM anomalies.
- Drilling to date has not effectively tested the anomalies

Results from the review have confirmed six base metal target areas with anomalous, moderate to strong, mid and late time responses. It was recommended by Southern Geoscience Consultants to use a high power ~100-200A, low base frequency, HT SQUID Bfield sensor and optimal slingram sensor offset to overcome any IP/SPM issues in the near surface and provide low noise surveying over all six target areas.

Work on all aspects of exploration to date support the prospective potential of the six ineffectively or untested EM anomalies so far identified.

HP MLTEM Surveys as specified by Southern Geoscience Consultants are currently underway

BYRO INDUSTRIAL MAGNETITE PROJECT

During the period under review Athena has undertaken additional test work defining the magnetic characteristic of the Byro Industrial Magnetite. The results of this confirm the suitability for retrieval and re-use in multiple industrial processing applications.

Further work has been conducted to confirm suitability for dense media separation for the coal washing industry. The product is well within international specifications.

The test work to date confirms the Athena product is suited to relatively high value markets as opposed to steel making, which sets it apart from other typical Mid-West deposits.

A small amount of by product may be sent to steel mills for blending with lower grade ore.

Market research on uses for high purity magnetite indicates that there is a significant offtake opportunity for the Athena product in a number of industries.

During the current season Athena intends to conduct further drilling at Byro to upgrade the 2004 JORC compliant Inferred Resource to Indicated both in tonnage and to the revised 2012 JORC Code.

Once a 2012 JORC compliant resource is confirmed the Company will be in a position to publish an indicative valuation of the project.

DIRECTORS' REPORT



AND CONTROLLED ENTITIES

Corporate

On 13 August 2019 ASX suspended trading in Athena shares due to insufficient funds to satisfy the funding requirement under their guidelines. This was based on a Quarterly Cash Report for June 2019 which showed available cash of less than \$10,000 and expected outgoings in the order of \$200,000 in the forthcoming quarter.

At the date of the suspension Athena shares had last traded at 2c per share.

During the half year to 31 December 2020, 9,857,142 shares have been issued for a total of \$345,000 less costs of \$4,722. Costs comprised ASX listing fees. These transactions were at 3.5c per share.

Since 31 December 2020 50,571,429 shares have been issued for a total of \$744,000 as specified in Note 13.

On 23 June 2021 announced Capital Raisings, Debt Restructure and ASX Conditional Reinstatement Terms.

Detailed results of activities and discussion thereon are contained in our Quarterly Activities Reports which are available on our website www.athenaresources.com.au.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on the following page and forms part of this directors' report for the half-year ended 31 December 2020.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s306(3) of the Corporations Act 2001.

.....
Edmond W Edwards

Executive Director

Dated at Perth this 29.day of June 2021

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Athena Resources Limited for the half-year ended 31 December 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia
29 June 2021



M R Ohm
Partner

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

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CONDENSED STATEMENT OF COMPREHENSIVE INCOME



FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

AND CONTROLLED ENTITIES

	Note	Consolidated Entity	
		31 December 2020 \$	31 December 2019 \$
Expenses			
Directors' remuneration		90,000	114,000
Salaries and employee costs		114,750	76,650
Legal and professional		42,825	48,240
Office and communication		8,795	41,016
Listing and share registry		19,818	22,321
Depreciation		1,266	2,848
Other expenses		21,008	45,728
Total Expenses		<u>298,462</u>	<u>350,803</u>
Recoveries to capitalised exploration		(99,200)	(102,000)
Expenses net of recoveries		<u>199,262</u>	<u>248,803</u>
Other income	2	(15,799)	(28)
LOSS BEFORE INCOME TAX BENEFIT		<u>183,463</u>	<u>248,775</u>
Income tax benefit		-	-
NET LOSS FOR THE YEAR		<u>183,463</u>	<u>248,775</u>
Other comprehensive income		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u>183,463</u>	<u>248,775</u>
Basic loss per share (cents per share)		0.06	0.09

These financial statements should be read in conjunction with the accompanying notes.

CONDENSED STATEMENT OF FINANCIAL POSITION



AS AT 31 DECEMBER 2020

AND CONTROLLED ENTITIES

		Consolidated Entity	
	Note	31 December 2020 \$	30 June 2020 \$
CURRENT ASSETS			
Cash and cash equivalents		89,723	17,992
Trade and other receivables	3	96,460	34,737
Total Current Assets		186,183	52,729
NON CURRENT ASSETS			
Plant and equipment		-	1,266
Deferred exploration and evaluation expenditure	4	8,964,815	8,839,163
Total Non Current Assets		8,964,815	8,840,429
TOTAL ASSETS		9,150,998	8,893,158
CURRENT LIABILITIES			
Trade creditors and accruals	8	344,326	314,801
Provision for annual leave	9	16,000	-
Deferred creditors	10	1,048,900	981,800
Related party loans		45,000	100,000
Total Current Liabilities		1,454,226	1,396,601
NON-CURRENT LIABILITIES			
Provision for long service leave	9	43,400	-
Total Non-Current Liabilities		43,400	-
TOTAL LIABILITIES		1,497,626	1,396,601
NET ASSETS		7,653,372	7,496,557
EQUITY			
Issued capital	5	15,284,724	14,944,446
Accumulated losses		(7,631,352)	(7,447,889)
TOTAL EQUITY		7,653,372	7,496,557

These financial statements should be read in conjunction with the accompanying notes.

CONDENSED STATEMENT OF CHANGES IN EQUITY



FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

AND CONTROLLED ENTITIES

	Consolidated Entity		
	Issued Capital \$	Accumulated Losses \$	Total Equity \$
Half-year to 31 December 2019			
Balance at 1 July 2019	13,920,293	(7,113,871)	6,806,422
Share Issues	1,037,900	-	1,037,900
Share Issue Costs	(13,747)	-	(13,747)
Comprehensive Loss for the half -year	-	(248,775)	(248,775)
As at 31 December 2019	14,944,446	(7,362,646)	7,581,800
Half-year to 31 December 2020			
Balance at 1 July 2020	14,944,446	(7,447,889)	7,496,557
Share Issues	345,000	-	345,000
Share Issue Costs	(4,722)	-	(4,722)
Comprehensive Loss for the half -year	-	(183,463)	(183,463)
As at 31 December 2020	15,284,724	(7,631,352)	7,653,372

These financial statements should be read in conjunction with the accompanying notes.

CONDENSED STATEMENT OF CASH FLOWS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

AND CONTROLLED ENTITIES

		Consolidated Entity	
	Note	31 December 2020 \$	31 December 2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to overhead suppliers		(53,858)	(290,297)
Other income received	2	15,799	28
Net cash (used in) operating activities		(38,059)	(290,269)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration expenditure		(175,488)	(224,260)
Net cash (used in) investing activities		(175,488)	(224,260)
CASH FLOWS FROM FINANCING ACTIVITIES			
Shares issued net of costs	5	340,278	657,253
Repayment of borrowings from related parties	11	(55,000)	(11,900)
Proceeds from borrowing from non-related party		-	158,800
Proceeds from borrowings from related party		-	30,000
Net cash provided by financing activities		285,278	834,153
Net increase / (decrease) in cash held		71,731	319,624
Cash and cash equivalents at the beginning of the period		17,992	5,913
Cash and cash equivalents at the end of the period		89,723	325,537

These financial statements should be read in conjunction with the accompanying notes.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

AND CONTROLLED ENTITIES

NOTE - 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These interim consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

It is recommended that the financial statements be read in conjunction with the annual financial report for the year ended 30 June 2020 and any public announcements made by Athena Resources Limited and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period except for the impact of the new standards and interpretations effective 1 July 2020 disclosed below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The interim financial statements were authorised for issue on 29 June 2021.

The interim financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the interim financial statements and notes thereto, complies with International Reporting Standards (IFRS).

Basis of preparation

The interim 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.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

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 Group's assets and the discharge of their liabilities in the normal course of business.

The Board considers that the Company is a going concern and recognises that additional funding is required to ensure that the Company can continue to fund the Group's operations, repay debt funding and further develop its mineral exploration and evaluation assets during the twelve month period from

NOTES TO THE CONDENSED FINANCIAL STATEMENTS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

AND CONTROLLED ENTITIES

the date of this financial report. Such additional funding can be derived from either one or a combination of the following:

- The placement of securities under the ASX Listing Rule 7.1 or otherwise;
- An excluded offer pursuant to the Corporations Act 2001;
- Deferral of Related Party Payables', or
- The sale of assets.

Since 31 December 2020 50,571,429 shares have been issued for a total of \$744,000 as specified in Note 13. This includes \$304,000 placement as shown below and in Note 13.

On 23 June 2021 announced Capital Raisings, Debt Restructure and ASX Conditional Reinstatement Terms. The main points of this announcement were :

Capital Raisings

\$304,000 (before costs) through a proposed placement of 38,000,000 fully paid ordinary shares (Shares) at an issue price of \$0.008 per Share (Placement); and

\$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,

Debt Restructure

Write off an amount of \$414,600 (inclusive of GST) of Director fees owing; and

Convert a further amount of \$567,200 Director fees owing into equity at \$0.008 cents per share subject to shareholder approval.

Reinstatement to Trading

ASX has confirmed that it can see no reason why the securities of AHN should not be reinstated to official quotation, subject to certain conditions outlined in the announcement.

The Directors believe these conditions will be met.

Accordingly, the directors believe that subject to prevailing equity market conditions, Athena will obtain sufficient funding to enable it to continue as a going concern and that it is appropriate to adopt that basis of accounting in the preparation of the financial report. Should Athena be unable to obtain sufficient funding as outlined above, there is a material uncertainty that may cast significant doubt whether it will be able to continue as a going concern and therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should it not continue as a going concern.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

AND CONTROLLED ENTITIES

Significant accounting judgements and key estimates

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Except as described below, in preparing this interim report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2020.

The Group performed a detailed review of its exploration tenements at period end to determine whether the related expenditure should continue to be capitalised under AASB 6 or written off to profit or loss. As a result of this review, there was no amount of (2019: \$Nil) exploration expenditure written off in the half-year. The directors are satisfied with the carrying value of the remaining capitalised exploration costs.

Adoption of new and revised Accounting Standards

In the half-year ended 31 December 2020, the directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for annual reporting periods beginning on or after 1 July 2020.

It has been determined by the directors that there is no impact, material or otherwise, of the new and revised standards and interpretations on the Group's business and therefore, no change is necessary to Group accounting policies.

The directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2020. As a result of this review the directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change necessary to Group accounting policies.

NOTE - 2 OTHER INCOME

	Consolidated	
	31 December 2020 \$	31 December 2019 \$
Interest received	4	28
Covid-19 Cash Flow Boost	15,795	-
Total other income	<u>15,799</u>	<u>28</u>

NOTE - 3 TRADE AND OTHER RECEIVABLES

Consolidated	
31 December 2020	30 June 2020

NOTES TO THE CONDENSED FINANCIAL STATEMENTS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

AND CONTROLLED ENTITIES

	\$	\$
GST refundable	37,744	29,865
Prepaid tenement rent	58,716	-
Other receivables	-	4,872
	<u>96,460</u>	<u>34,737</u>

NOTE - 4 DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	31 December 2020	30 June 2020
Exploration Phase		
Balance at beginning of period	\$ 8,839,163	\$ 8,409,884
Expenditure during period on external costs and services	26,452	228,979
Overheads recovered through timesheet allocations	99,200	200,300
	<u>8,964,815</u>	<u>8,839,163</u>

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent upon the successful development and commercial exploitation or sale of the respective areas.

NOTE - 5 ISSUED CAPITAL

	Consolidated	
	31 December 2020	30 June 2020
Ordinary Shares		
Issued and fully paid	\$ 15,284,724	\$ 14,944,446

Movements in ordinary share capital of the Company were as follows:

	Number	\$
Year to 30 June 2020		
At 1 July 2019	270,950,922	13,920,293
Placements during the year	29,654,286	1,037,900
Share Issue Costs	-	(13,747)
At 30 June 2020	<u>300,605,208</u>	<u>14,944,446</u>
6 Months to 31 December 2020		
At 1 July 2020	300,605,208	14,944,446
Placement 17 August 2020 3.5 cents	7,428,571	260,000
Placement 30 December 2020 3.5 cents	2,428,571	85,000
Share Issue Costs	-	(4,722)
At 31 December 2020	<u>310,462,350</u>	<u>15,284,724</u>

NOTES TO THE CONDENSED FINANCIAL STATEMENTS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

AND CONTROLLED ENTITIES

NOTE - 6 CONTINGENT LIABILITIES

Athena Resources Limited and its controlled entities have no known material contingent liabilities as at 31 December 2020.

NOTE - 7 SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Athena Resources Limited.

The Group operates in one business and geographical segment being mineral exploration in Australia. Accordingly, under the management approach outlined above only one operating segment has been identified and no further disclosure is required in the half-year financial statements.

NOTE - 8 TRADE AND OTHER PAYABLES

	Consolidated	
	31 December 2020 \$	30 June 2020 \$
Current		
Trade creditors	144,326	114,801
Native title on grant of mining leases	200,000	200,000
	<u>344,326</u>	<u>314,801</u>

NOTE - 9 PROVISIONS

	Consolidated	
	31 December 2020 \$	30 June 2020 \$
Current		
Provision for annual leave	16,000	-
	<u>16,000</u>	<u>-</u>
Non-Current		
Provision for long service leave	43,400	-
	<u>43,400</u>	<u>-</u>

NOTES TO THE CONDENSED FINANCIAL STATEMENTS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

AND CONTROLLED ENTITIES

NOTE - 10 DEFERRED CREDITORS

Officer	1 July 2020	Fees	Payments	31 December 2020
E Edwards	495,000	99,000	(49,500)	544,500
D Webster	319,600	-	-	319,600
R Kandiah	35,200	-	-	35,200
P Newcomb	132,000	26,400	(8,800)	149,600
	<u>981,800</u>	<u>125,400</u>	<u>(58,300)</u>	<u>1,048,900</u>

Directors have agreed to defer payment of fee arrears until such time as the company is in a position to settle without prejudicing third party creditors.

NOTE - 11 RELATED PARTY LOANS

During the half year, Directors and Company Secretary extended unsecured interest free loans to the Company, to support short-term cash flow as follows:

Officer	1 July 2020	Advances	Repayments	31 December 2020
E Edwards	20,000	-	(20,000)	-
D Webster	40,000	-	-	40,000
H Wai	20,000	-	(15,000)	5,000
P Newcomb	20,000	-	(20,000)	-
	<u>100,000</u>	<u>-</u>	<u>(55,000)</u>	<u>45,000</u>

NOTE - 12 FINANCIAL INSTRUMENTS

The Directors have assessed that the value of financial assets and financial liabilities approximate their fair value at balance date.

NOTE - 13 SUBSEQUENT EVENTS

During the period to 29 June 2021 the following share issues have taken place:

Date	Shares	\$
19 February 2021	2,857,143	100,000
6 April 2021	2,857,143	100,000
14 May 2021	6,857,143	240,000
25 June 2021 *	38,000,000	304,000
	<u>50,571,429</u>	<u>744,000</u>

* part of the Capital Raisings announced on 23 June 2021

As announced on 23 June 2021 Capital Raisings, Debt Restructure and ASX Conditional Reinstatement Terms have been agreed.

Details of this announcement are disclosed under Going Concern on Note 1.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS



FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

AND CONTROLLED ENTITIES

As announced on 5 February 2021 Alexander Creek Pty Ltd filed Objections to the Exemption Applications together with Applications for Forfeiture in respect of the E09/1552 and E09/1507.

The Exemption Applications will be vigorously pursued and the Company is confident based on legal advice that they will be granted thereby defeating the Forfeiture Applications. Since 5 February 2021 there have been no events which change the legal advice received.

DIRECTORS' DECLARATION



FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

AND CONTROLLED ENTITIES

The Directors of the company declare that:

- 1) The financial statements and notes thereto are in accordance with the Corporations Act 2001 including:
 - a) complying with Accounting Standard AASB 134: Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - b) giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the half-year then ended.
- 2) in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.

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

Edmond W Edwards

Dated at Perth this 11 day of June 2021

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Athena Resources Limited

Report on the Condensed Half-Year Financial Report*Conclusion*

We have reviewed the accompanying half-year financial report of Athena Resources Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2020, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, for the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Athena Resources Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to

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

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enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
29 June 2021



M R Ohm
Partner