



Athena Resources Limited

ACN 113 758 900

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM

**Wednesday 30 November 2022
11.45 am (WST)**

**Perth Flying Squadron Yacht Club
Esplanade, Dalkeith, WA 6009**

The Annual Report is available online at www.athenaresources.com.au

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

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 448 895 664.

Explanatory Memorandum

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Athena Resources Limited (ACN 113 758 900) will be held at Perth Flying Squadron Yacht Club, Esplanade, Dalkeith, WA 6009 on Wednesday 30 November 2022 at 11.45am (WST).

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

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Monday 28 November 2022 at 4.00pm (WST).

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

AGENDA

Accounts and Reports

To receive and consider the Company's Annual Report for the year ended 30 June 2022, which includes the Financial Report, the Directors' Report and the Auditor's Report.

RESOLUTIONS

Resolution 1 Adoption of Remuneration Report

To consider and if thought fit, to pass the following resolution as a **non-binding resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report included in the Annual Report for the financial year ended 30 June 2022 be adopted by the Shareholders on the terms and conditions set out in the Explanatory Memorandum."

Please note that a vote on this Resolution is advisory only and does not bind the directors of the Company.

Voting Prohibition

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member. However, a vote may be cast by such person if:

- (a) the person is acting as a proxy and the Proxy Form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the person is the Chair voting an undirected proxy which expressly authorises the Chair to exercise the proxy even though the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Explanatory Memorandum - continued

Resolution 2 Re-election of Director – Hau (John) Wai

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

“That, for the purposes of clause 3.6 of the Constitution and for all other purposes, Mr Wai, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

Resolution 3 Re-election of Director – Peter Newcomb

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

“That, for the purposes of clause 3.3 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Peter Newcomb, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

Resolution 4 Ratification of prior issue of Shares and Options – Placement

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 57,500,000 Shares and 57,500,000 Options issued pursuant to the Company’s capacity under Listing Rule 7.1 on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

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

- (a) any person who participated in the issue (or is a counterparty to the agreement being approved); or
- (b) any Associate of any person who participated in the issue (or is a counterparty to the agreement being approved).

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

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

Resolution 5 Ratification of prior issue of Options – Lead Manager

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

Explanatory Memorandum - continued

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 5,000,000 Options issued pursuant to the Company’s capacity under Listing Rule 7.1 on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

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

- (a) any person who participated in the issue (or is a counterparty to the agreement being approved); or
- (b) any Associate of any person who participated in the issue (or is a counterparty to the agreement being approved).

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

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

Resolution 6 Approval of 10% Placement Facility

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

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on terms and conditions in the Explanatory Memorandum.”

Dated: 28 October 2022

By order of the Board

**Ed Edwards Company
Secretary**

EXPLANATORY MEMORANDUM

Introduction

This Explanatory Memorandum has been prepared for the information of members of Athena Resources Limited (**Athena** or the **Company**) in connection with the business to be conducted at the Annual General Meeting of Members to be held on Wednesday 30 November 2022 commencing at 11.45am (WST) at Perth Flying Squadron Yacht Club, Esplanade, Dalkeith, WA 6009 .

This Explanatory Memorandum forms part of and should be read in conjunction with the accompanying Notice of Annual General Meeting.

Shareholders should note that all the directors approved the proposal to put the resolutions to shareholders as outlined in the Notice of Annual General Meeting and to prepare this Explanatory Memorandum.

The purpose of this Explanatory Memorandum is to provide information for Shareholders in deciding whether or not to pass the Resolutions in the Notice of Annual General Meeting.

Action to be taken by Shareholders

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

Proxies

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

Please note that:

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

Shareholders and their proxies should be aware that:

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

Further details are set out below.

Proxy vote if appointment specifies way to vote

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

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and

Explanatory Memorandum - continued

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

Transfer of non-chair proxy to Chair in certain circumstances

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

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

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

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

Corporate Representatives

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

Annual Report 2022

In accordance with the requirements of the Company's Constitution and the Corporations Act, the 2022 Annual Report will be tabled at the Meeting. There is no requirement for Shareholders to approve the Annual Report, however Shareholders will have the opportunity of discussing the Annual Report and making comments and raising queries in relation to the Report.

The Annual Report is available online at www.athenaresources.com.au.

Representatives from the Company's auditors, HLB Mann Judd, will be present to take Shareholders' questions and comments about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

Resolution 1 – Adoption of Remuneration Report

Section 250R(2) of the Corporations Act provides that the Company is required to put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

Section 250R(3) of Corporations Act provides that Resolution 1 is advisory only and does not bind the Directors of the Company of itself, a failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report.

However, the Corporations Act also gives Shareholders the opportunity to remove the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (Two Strikes Rule).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report will cease to hold office immediately before that further meeting but may stand for re-election.

At the Company's previous annual general meeting the votes cast against the Remuneration Report considered at that annual general meeting were less than 25%. Accordingly, a further resolution relating to the Two Strikes Rule is not relevant for this Annual General Meeting.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

The Chair intends to exercise all undirected proxies in favour of Resolution 1. If the Chair of the Meeting is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, the Shareholder is considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention.

Resolution 2 – Re-election of Director – Hau (John) Wai

Clause 3.6 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded down to the nearest whole number), shall retire from office, provided always that no Director (except a managing director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re election.

The Directors to retire at an annual general meeting are those who have been longest in the office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 3.6 of the Constitution is eligible for re-election.

Mr Wai will retire in accordance with clause 3.6 of the Constitution and being eligible, seeks re-election.

Details of Mr Wai's background and experience are set out in the Annual Report.

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Mr Wai is not considered to be an independent Director.

The Board (excluding Mr Wai who has a material personal interest in the Resolution) recommends that Shareholders vote in favour of Resolution 2. The Chair of the meeting intends to vote undirected proxies in favour of Resolution 2.

Resolution 3 – Re-election of Director – Peter Newcomb

Pursuant to ASX Listing Rule 14.4 and clause 3.3 of the Company's Constitution, Directors appointed by the Board during the year automatically retire at the next Annual General Meeting and are eligible for re-election at that meeting.

Mr Peter Newcomb, who was appointed by the Board on 23 September 2022, will retire in accordance with ASX Listing Rule 14.4 and clause 3.3 of the Constitution and being eligible, seeks re-election.

Mr Newcomb's background and experience are set out in the Annual Report.

Mr Newcomb is not considered to be an independent Director.

The Board (excluding Mr Newcomb who has a material personal interest in the Resolution) recommends that Shareholders vote in favour of Resolution 3. The Chair of the meeting intends to vote undirected proxies in favour of Resolution 2.

Resolution 4 – Ratification of prior issue of Shares and Options – Placement

General

As announced by the Company to ASX on 13 October 2022, the Company completed a placement of 57,500,000 Shares at an issue price of \$0.01 per Share and 57,500,000 free attaching Options (on a 1:1 basis, exercisable at \$0.018, expiring 20 October 2025) to sophisticated and professional investor clients of Peak Asset Management to raise \$575,000 before costs (**Placement**).

The Placement Shares and Options (together the **Placement Securities**) were issued pursuant to the Company's capacity under Listing Rule 7.1. Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Placement Securities.

ASX Listing Rules 7.1 and 7.4

Broadly speaking, and subject to a number of exceptions which are contained in Listing Rule 7.2 (which do not apply in the circumstance of this Resolution), Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that, where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 4 seeks Shareholder approval to subsequently approve the issue of the Placement Securities under and for the purposes of Listing Rule 7.4.

If Resolution 4 is passed, these Placement Securities will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity

Explanatory Memorandum - continued

securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 4 is not passed, the Placement Securities will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 4:

- (a) the Placement Securities were issued to sophisticated and professional investor clients in Australia of Peak Asset Management, the lead manager of the Placement. In accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the issues were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisors of the Company or any associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (b) a total of 57,500,000 Shares and 57,500,000 free attaching Options Shares were issued pursuant to the Company's placement capacity under Listing Rule 7.1;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Options issued have an exercise price of \$0.018 each and expiry date of 20 October 2025 and are otherwise on the terms and conditions set out in Schedule 2;
- (e) the Placement Securities were issued on 21 October 2022;
- (f) the issue price of the Shares was \$0.01 per Share, raising \$575,000 before costs. The Options were free attaching on a 1:1 basis and so no funds were raised from the issue of the Options;
- (g) the purpose of the issue was to raise \$575,000 to be applied toward progressing exploration work on the Byro Project and providing working capital;
- (h) the Placement Securities were not issued under an agreement;
- (i) the Placement Securities are not being issued under, or to fund, a reverse takeover; and
- (j) a voting exclusion statement is set out in the Notice.

The Directors of the Company believe Resolution 4 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

Resolution 5 – Ratification of prior issue of Options – Lead Manager

General

The Company appointed Peak Asset Management to act as lead manager to the Placement referred to above (**Lead Manager**). The Company has issued 10 Bolivianos Pty Ltd, a nominee of the Lead Manager, a total of 5,000,000 Options in part consideration for Peak Asset Management acting as Lead Manager (**Lead Manager Options**).

Explanatory Memorandum - continued

The Lead Manager Options were issued pursuant to the Company's capacity under Listing Rule 7.1. Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Options.

ASX Listing Rules 7.1 and 7.4

A summary of Listing Rules 7.1 and 7.4 is provided in Section 4 above.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 5 seeks Shareholder approval to subsequently approve the issue of the Lead Manager Options under and for the purposes of Listing Rule 7.4.

If Resolution 5 is passed, the Lead Manager Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 5 is not passed, the Lead Manager Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 5:

- (a) the Lead Manager Options were issued to 10 Bolivianos Pty Ltd, a nominee of Peak Asset Management, the lead manager of the Placement;
- (b) a total of 5,000,000 Lead Manager Options were issued pursuant to the Company's placement capacity under Listing Rule 7.1;
- (c) the Lead Manager Options issued have an exercise price of \$0.018 each and expiry date of 20 October 2025 and are otherwise on the terms and conditions set out in Schedule 2;
- (d) the Lead Manager Options were issued on 21 October 2022;
- (e) the Lead Manager Options were issued for nil cash consideration and so no funds were raised;
- (f) the purpose of the issue was to provide part consideration for Peak Asset Manager acting as Lead Manager to the Placement;
- (g) the Lead Manager Options were issued in accordance with the mandate between the Company and the Lead Manager dated 5 October 2022 the material terms of which are;
 - (i) the Lead Manager agreed to act as lead manager to the Placement;
 - (ii) the Company agreed to pay the Lead Manager a capital raising fee of 6% (plus GST) of the funds raised from the Placement and, subject to the Lead Manager raising at least \$500,000, issue the Lead Manager or its nominees 5,000,000 Options; and
 - (iii) the mandate is otherwise on industry standard terms and conditions for an agreement of this nature; and
- (h) a voting exclusion statement is set out in the Notice.

Explanatory Memorandum - continued

The Directors of the Company believe Resolution 5 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

Resolution 6 - Approval of 10% Placement Facility

General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

ASX Listing Rule 7.1A provides that, in addition to the 15% placement capacity permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue, during the period the approval is valid, a number of quoted Equity Securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period as adjusted in accordance with the formula in ASX Listing Rule 7.1 (**10% Placement Facility**).

An eligible entity is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less (excluding restricted securities and securities quoted on a deferred settlement basis). The Company is an eligible entity.

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. The Company one class of quoted equity securities on issue, being ordinary shares (ASX Code: AHN)).

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue quoted Equity Securities under the 10% Placement Facility available under ASX Listing Rule 7.1A. The maximum number of quoted Equity Securities that may be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2.

If Resolution 6 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in ASX Listing Rules 7.1 and 7.1A without further Shareholder approval.

If Resolution 6 is not passed, the Company will not be able to access the additional 10% capacity to issue quoted Equity Securities without Shareholder approval available under ASX Listing Rule 7.1A, and will remain subject to the 15% limit on issuing (or agreeing to issue) Equity Securities without Shareholder approval set out in ASX Listing Rule 7.1.

Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Description of Listing Rule 7.1A and information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to this Resolution:

10% Placement Period

If Shareholders approve Resolution 6, the Company's ability to issue quoted Equity Securities under the 10% Placement Facility will commence on the date of the Meeting and expire on the first to occur of the following:

- (a) the date that is 12 months after the date of the Meeting;

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- (b) the time and date of the Company's next annual general meeting;
 - (c) the time and date of the approval by Shareholders of a transaction under ASX Listing Rules 11.1.1 or 11.2,
- (the 10% **Placement Period**).

Minimum Price

The issue price of quoted Equity Securities issued under Listing Rule 7.1A must be a cash consideration per Equity Security of not less than 75% of the volume weighted average market price (VWAP) of Equity Securities in the same class calculated over the 15 Trading Days on which trades in the class were recorded immediately before:

- (a) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (b) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (a) above, the date on which the Equity Securities are issued.

Purpose of Funds Raised

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for the acquisition of new resources, assets, and investments and for the continued exploration expenditure on the Company's current projects and for general working capital purposes.

Economic and Voting Dilution Risk

If Resolution 6 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Capacity, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Convertible Securities, only if the Convertible Securities are exercised). There is a risk that:

- (a) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- (b) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date, which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of Shares for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- (a) two examples where variable "A" has increased by 50% and 100% and the voting dilution impact of such an increase. Variable "A" is based on the number of Shares the Company has on issue. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (b) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

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Share Capital (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.005 (50% decrease in Share price)	\$0.01 (Current Share Price)	\$0.02 (100% increase in Share price)
870,476,558 (Current Shares)	Number of Shares	87,047,656		
	Funds raised	\$435,238	\$870,477	\$1,740,953
1,305,714,837 (50% increase in Shares)	Number of Shares	130,571,484		
	Funds raised	\$652,857	\$1,305,715	\$2,611,430
1,740,953,116 (100% increase in Shares)	Number of Shares	174,095,312		
	Funds raised	\$870,477	\$1,740,953	\$3,481,906

The table has been prepared on the following assumptions.

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- No Convertible Securities (including any Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting. All Shareholders should consider the dilution caused by their own shareholding depending on the specific circumstances.
- The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- The current issue price is \$0.01 being the closing price of the Shares on the ASX on 18 October 2022.
- The Company will only issue the Equity Securities during the 10% Placement Period.

Allocation Policy

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility.

The identity of the recipients of Equity Securities will be determined on a case-by-case basis having regard to the factors set out in the Company's allocation policy, including but not limited to the following:

- the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;

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- (b) the effect of the issue of the Equity Securities on the control of the Company;
- (c) the financial situation and solvency of the Company; and
- (d) advice from corporate, financial and broking advisers (if applicable).

The recipients under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing Substantial Holders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Use of 10% Placement Facility in prior 12 months

The Company obtained Shareholders' approval for its 10% Placement Facility at its previous annual general meeting held on 30 November 2021.

During the 12-month period preceding the date of this Meeting, being on and from 30 November 2022, the Company has not issued any Equity Securities under ASX Listing Rule 7.1A.

Voting Exclusion

A voting exclusion statement is not included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

Board Recommendation

The Directors of the Company believe Resolution 6 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

Definitions

Schedule 1 – Definitions

In this Notice and the Explanatory Memorandum:

\$ means Australian Dollars.

10% Placement Facility has the meaning given in Listing Rule 7.1A.

10% Placement Period has the meaning given in Listing Rule 7.1A.

Annual Report means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ending 30 June 2022.

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

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

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors.

Business Day means:

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

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

Closely Related Party means:

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

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

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

Convertible Securities means Options and any other Equity Securities convertible into Shares.

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

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities contained in the Annual Report.

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

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

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

Listing Rules means the listing rules of ASX.

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

Notice means this notice of meeting.

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

Peak Asset Management means Copeak Corporate Pty Ltd (ACN 632 277 144) <The Trustee for Peak Asset Management Unit Trust> trading as Peak Asset Management.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means resolution contained in the Notice.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

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

Shareholder means a shareholder of the Company.

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

Two Strikes Rule has the meaning in the explanatory notes for Resolution 1.

VWAP means volume weight average price.

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

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

Schedule 2 – Option terms

The Options entitle the holder (**Optionholder**) to subscribe for, and be issued, ordinary shares in the capital of the Company (**Shares**) on and subject to the following terms and conditions:

(a) Entitlement

Each Option gives the Optionholder the right to subscribe for, and be issued, one Share.

(b) Expiry Date

The Options will expire at 5.00pm (WST) on 20 October 2025 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(c) Exercise Price

Subject to Part (h), the amount payable upon exercise of each Option will be \$0.018 (**Exercise Price**).

(d) Notice of Exercise

An Optionholder may exercise any Options by lodging with the Company, before the Expiry Date:

- (i) a written notice of exercise of Options specifying the number of Options being exercised (**Exercise Notice**); and
- (ii) electronic funds transfer for the aggregate Exercise Price for the number of Options being exercised.

(e) Exercise Date

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

(f) Timing of issue of Shares on exercise and quotation

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

- (i) allot the applicable Shares to the Optionholder; and
- (ii) if the Company is admitted to the official list of the ASX at the time, apply for official quotation on the ASX of the Shares issued pursuant to the exercise of the Options.

(g) Shares issued on exercise

All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other issued fully paid Shares.

(h) Reorganisation

If, prior to the Expiry Date, the issued capital of the Company is reorganised, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and any requirements with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

(i) Participation in new issues

There are no participating rights or entitlements inherent in the Options. An Optionholder will not be entitled to participate in new issues of securities offered to Shareholders during the currency of the Options except to the extent that Options are exercised prior to the 'record date' for determining entitlements for the new issue.

(j) Change in exercise price or number

An Option does not confer on the holder any right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

(k) Transferability

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

(l) Agreement to be bound

By lodging an Exercise Notice, the Optionholder agrees to take the applicable Shares and agrees to be bound by the constitution of the Company.

This form is fillable



Proxy Form

Athena Resources Limited Annual General Meeting 30 November 2022

ACN 113 758 900

I/We:	
of:	
being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:	
Name:	
Or:	the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at Perth Flying Squadron Yacht Club, Esplanade, Dalkeith, WA 6009, on Wednesday 30 November 2022 at 11.45 am (WST), and at any adjournment thereof.

Authority for Chair to vote undirected proxies on Remuneration Related Resolutions

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

Chair's Voting Intention in relation to undirected proxies

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

Voting on business of the Meeting

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	☐	☐	☐
Resolution 2	Re-election of Director – Hau (John) Wai	☐	☐	☐
Resolution 3	Re-election of Director – Peter Newcomb	☐	☐	☐
Resolution 4	Ratification of Prior issue of Shares and Options - Placement	☐	☐	☐
Resolution 5	Ratification of Prior issue of Options – Lead Manager	☐	☐	☐
Resolution 6	Approval of 10% Placement Facility	☐	☐	☐

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

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

Signatures of Shareholders:

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Dated :

Contact Name:		Phone (Daytime):	
Email Address:			

Consent for contact by email in relation to Proxy : Yes No

Proxy Notes:

Voting Restrictions applying to Key Management Personnel: If you appoint a member of the Key Management Personnel of the Company or one of their closely related parties as your proxy, that person will not be able to cast your votes on Resolution 1 unless you direct them how to vote, or the Chair of the Meeting is your proxy. "Key Management Personnel" is defined in the Explanatory Memorandum and includes each of the Directors of the Company, all those executives named in the Company's 2022 Remuneration Report, and any other persons who are the Company's Key Management Personnel at the date of the Meeting.

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is entitled to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate of Appointment of Representative prior admission. A form of the certificate may be obtained from the Company's share registry using the link below.

You must sign this form as follows in the spaces provided:

- | | |
|--------------------|---|
| Joint Holding: | where the holding is in more than one name all of the holders must sign. |
| Company: | if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy, of the Power of Attorney to this Proxy Form when you return it. |
| Power of Attorney: | Director can sign jointly with another Director or Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicated the office held by signing in the appropriate space. |

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received at the Perth office of the Company, 21 Millstream Rise, Hillarys, WA 6025 not less than 48 hours prior to the time of commencement of the Meeting.

Please print, sign and scan your completed Proxy Form and submit to the Company.

Proxy Forms may be submitted by email to ahn@athenaresources.com.au

Proxy Forms close on 28 November at 11.45am (WST)

Links

[Athena Resources Website](#)

[Annual Financial Report 2022](#)

[Appointment of Corporate Representative](#)