

DECEMBER 2024 QUARTERLY ACTIVITIES REPORT

Athena Resources Limited (ASX: AHN) (“Athena” or the “Company”) is pleased to report on activities during and subsequent to the quarter ending 31 December 2024 (“December Quarter”).

Exploration and Development

Work during the December Quarter focused on the independent technical review of the Byro Magnetite Project (“Byro”) and on advancing related metallurgical work:

- The benefits of various classification processes proposed for the secondary grinding and classification section of the Byro processing flowsheet were investigated. Test work commenced during the period at the Iron Ore Tech Centre (IOTC) to prepare a sample for further classification work scheduled for the current quarter; and
- A 30kg magnetite sample was prepared at IOTC for testing in a new revolutionary process designed to directly recovery pure iron from iron ores. Results are expected during the current quarter.

Corporate

During the December Quarter the Company announced a fully underwritten one for two renounceable pro rata entitlement offer (“Entitlement Offer”) of new fully paid ordinary shares at an issue price of A\$0.004 per share to raise gross proceeds of approximately \$2.67 million.

The Entitlement Offer closed on Monday 23 December 2024 and the Results of the Entitlement Offer were announced on the 27 December 2024. The Shortfall Shares under the Entitlement Offer were placed to sophisticated investors and Fenix Resources Limited (“Fenix”)(ASX:FEX) as underwriter on 15 January 2025. The successful completion of Entitlement Offer confirming the raising of \$2.67 million was announced on 28 January 2025.

Following completion of the Entitlement Offer, Athena currently has 2,003,201,428 ordinary fully paid shares on issue. Fenix currently holds 580,421,082 Athena shares for an interest in the Company of 28.97%.

During the December Quarter payments made to related parties totalled \$98,477. These payments relate to director’s fees, consultancy fees and company secretarial services.

The Quarterly Appendix 5B Cash Flow Report and details of the Company’s Exploration tenements are attached.

This announcement was authorised by the Board of Athena.

John Welborn
Chairman
Athena Resources Limited
Email: john@athenaresources.com.au

About Athena Resources: AHN is an Australian ASX listed explorer and developer of highgrade iron ore assets in Western Australia. The Company is focused on its Byro Project, strategically located in the Mid-West region 410km from the Port of Geraldton. The Byro Iron Ore Project has potential to mine and supply premium grade, low impurity magnetite (>70% Iron Content) for the production of Dense Media Separation material, Green Steel and other Industrial Mineral applications. The Byro Project also contains exciting base metal potential.

Directors: John Welborn, Peter Newcomb, Terry Weston, Garry Plowright • **Company Secretary:** Peter Newcomb • **Athena Resources Limited** ACN 113 758 900

INTERESTS IN MINING TENEMENTS

Athena Resources Limited 100%	Tenement Type
Byro Exploration	E – Exploration License
E09/1507	
E09/1552	
E09/1637	
E09/1781	
E09/1938	
Byro Project Mining	M - Mining Lease
M09/166	
M09/168	
Byro Project Water	
L09/112	L – Miscellaneous Licence

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

ATHENA RESOURCES LIMITED

ABN

69 113 758 900

Quarter ended ("current quarter")

31 DECEMBER 2024

Consolidated statement of cash flows		Current quarter \$	Year to date (6 months) \$
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs – termination payouts	-	-
	(e) administration and corporate costs	(149,395)	(376,051)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Payment in lieu of notice on termination of service contract	-	(90,000)
1.9	Net cash from / (used in) operating activities	(149,395)	(466,051)
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	(140,821)	(201,262)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$	Year to date (6 months) \$
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(140,821)	(201,262)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,035,251	1,035,251
3.2	Proceeds from issue of convertible debt securities	-	680,000
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	1,035,251	1,715,251

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	321,845	18,942
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(149,395)	(466,051)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(140,821)	(201,262)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,035,251	1,715,251

Consolidated statement of cash flows		Current quarter \$	Year to date (6 months) \$
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,066,880	1,066,880

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$	Previous quarter \$
5.1	Bank balances	1,066,880	321,845
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,066,880	321,845

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$
76,277
22,200

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		Total facility amount at quarter end \$	Amount drawn at quarter end \$
7.1	Loan facilities – Convertible Note	470,000	470,000
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	470,000	470,000
7.5	Unused financing facilities available at quarter end	-	
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
<p>Unsecured Convertible Notes, \$320,000 issued 7 March 2024 under 7.1 capacity and \$680,000 approved by shareholders on 23 May 2024. Second Tranche of \$680,000 drawn on 25 July 2024. Conversion to shares of \$530,000 made on 2 December 2024.</p> <p>Lender : Fenix Resources Limited Interest rate : 8% Maturity dates : Tranche 1 - 6 March 2025 Tranche 2 – 24 July 2025</p>			

8. Estimated cash available for future operating activities	\$
8.1 Net cash from / (used in) operating activities (Item 1.9)	149,395
8.2 Capitalised exploration & evaluation (Item 2.1(d))	140,821
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	290,216
8.4 Cash and cash equivalents at quarter end (Item 4.6)	1,035,251
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	1,035,251
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	3.6

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:31 January 2025.....

Authorised by:Peter Newcomb – Executive Director.....

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.