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ABN : 69 113 758 900

16 February 2011

Company Announcements Platform  
Australian Securities Exchange  
Level 4, 20 Bridge Street  
SYDNEY NSW 2000

### **ATHENA PURCHASES REMAINING 20% OF BYRO IRON ORE, NICKEL COPPER PGE PROJECT & RAISES \$1.2M TO FUND PURCHASE**

Athena Resources Limited (Athena)(ASX:AHN) advises that its wholly owned subsidiary Complex Exploration Pty Ltd has entered into a Share Sale Agreement to acquire Lightwave Investments Pty Ltd (ACN 105 744 223) owner of 25% of the Byro Project from Mr Paul McMillen (Vendor). This will give Athena 100% ownership of the Byro Project. (see Figure 1)

The terms of the purchase include payment of a \$50,000 non refundable deposit on the signing of the agreement with the balance of \$950,000 being paid on settlement together with the issue to the Vendor of 3,000,000 fully paid shares in Athena. Settlement is due prior to 23 March 2011.

To finance the cash portion of the purchase Athena has agreed to raise \$1,199,000 by the placement of 10,900,000 ordinary fully-paid shares in Athena at 11 cents per share. The shares will be placed with sophisticated and professional investors. See Appendix 3B attached.

The proceeds of the placement will be used to fund the purchase of Lightwave, working capital and costs of the raising.

Athena's tenements at Ashburton are in the south-west Pilbara and Byro on the western side of the mid west of Western Australia.

At Byro, Athena is exploring for iron ore, copper, nickel and PGEs. Iron ore at Byro in contrast to many other potential magnetite iron ore projects in the Midwest appears to be migmatitic rather than sedimentary; is coarse grained with test work to date showing a coarse grind size exceeding 109 microns producing an economic high grade concentrate over 71% Fe in concentrate with a weight recovery of 46%. The Byro project is near infrastructure that is expected to receive project go ahead in early 2012, with first shipments through Oakagee port in late 2014/early 2015, which fits with the timing for Athena's potential iron ore project. Further drilling to commence in April will confirm an Inferred Resource during 2011.

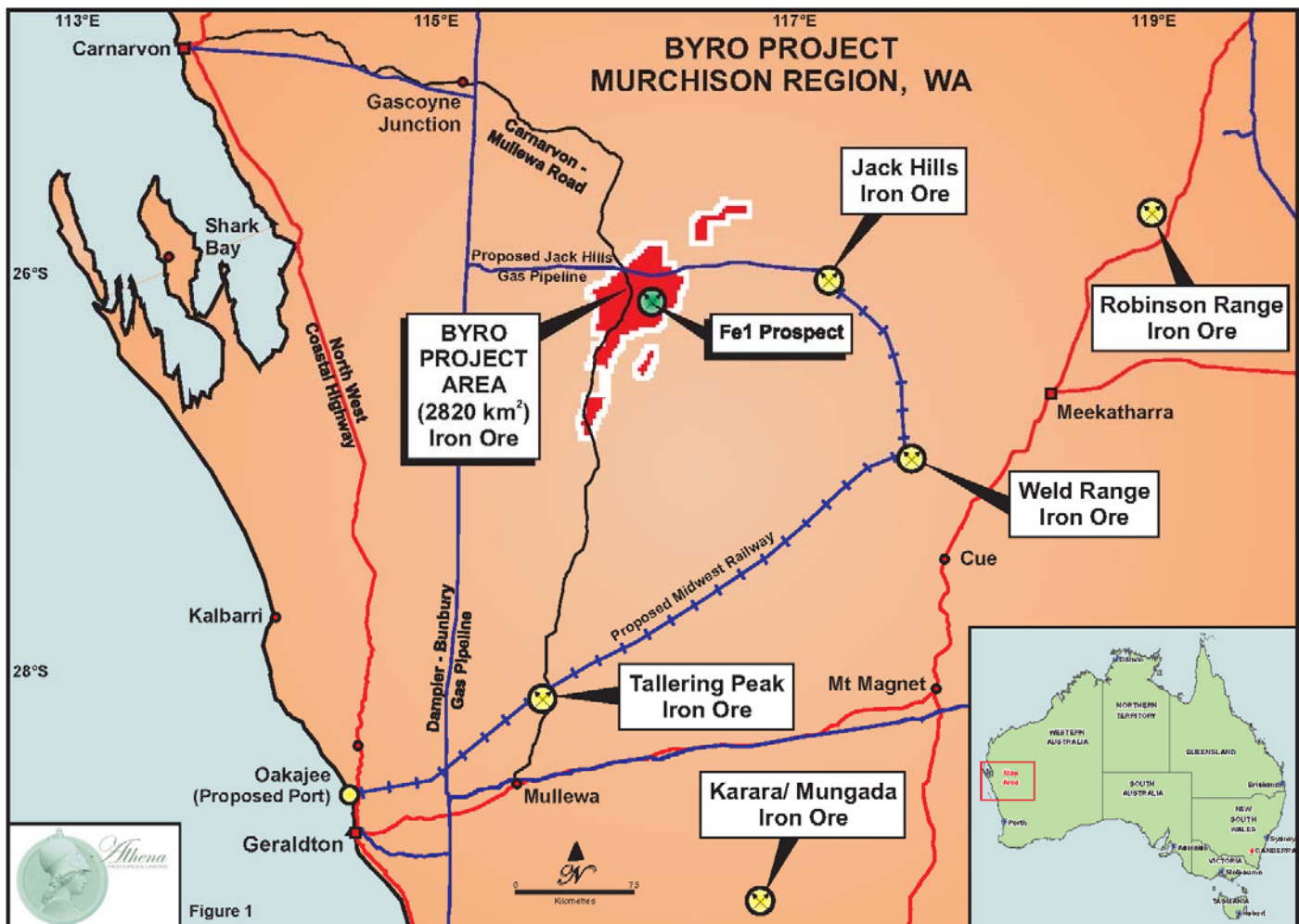
The Vendor is not related to Athena or the directors.

This announcement is the announcement referred to in Athena's request for a trading halt, dated 15 February 2011.

**Athena Resources Limited (ASX: AHN)**, a Perth, Western Australia, based explorer, listed on the ASX in 2007 and currently has 93.1 million shares on issue. Athena's major asset is its interest in the Byro Project where it is exploring for iron ore, copper, nickel, and PGE's. The company also has significant gold, lead and silver targets in the Ashburton region of WA, (ref 2010 Annual Report).

Yours faithfully

E W Edwards  
Managing Director



## Appendix 3B

### New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

**ATHENA RESOURCES LIMITED**

ABN

**69 113 758 900**

We (the entity) give ASX the following information.

#### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |                            |
|---|--|----------------------------|
| 1 | +Class of +securities issued or to be issued   | Ordinary fully paid shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 10,900,000 shares          |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) |                            |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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4	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"><li>• the date from which they do</li><li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li><li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li></ul>	Yes	
5	Issue price or consideration	\$0.11 per share	
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The proceeds of the placement will be used to fund the purchase of Lightwave Pty Ltd, working capital and costs of the raising.	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	23 February 2011.	
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	Number	+Class
		104,000,974	Ordinary Fully Paid Shares (AHN)
		33,800,465	Options exercisable at 8 cents each on or before 30 April 2012

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+ See chapter 19 for defined terms.

9	Number and <sup>+</sup> class of all <sup>+</sup> securities not quoted on ASX ( <i>including</i> the securities in clause 2 if applicable)	<table><tr><th>Number</th><th><sup>+</sup>Class</th></tr><tr><td>500,000</td><td>Incentive Options exercisable at 12 cents each on or before 30 September 2012</td></tr></table>	Number	<sup>+</sup> Class	500,000	Incentive Options exercisable at 12 cents each on or before 30 September 2012
Number	<sup>+</sup> Class					
500,000	Incentive Options exercisable at 12 cents each on or before 30 September 2012					
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No plans to pay dividends at this stage				

## Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34    Type of securities  
(tick one)

(a)    ☒ Securities described in Part 1

(b)    ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Quotation agreement

1       <sup>+</sup>Quotation of our additional <sup>+</sup>securities is in ASX's absolute discretion. ASX may quote the <sup>+</sup>securities on any conditions it decides.

2       We warrant the following to ASX.

- The issue of the <sup>+</sup>securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those <sup>+</sup>securities should not be granted <sup>+</sup>quotation.
- An offer of the <sup>+</sup>securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any <sup>+</sup>securities to be quoted and that no-one has any right to return any <sup>+</sup>securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the <sup>+</sup>securities be quoted.

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<sup>+</sup> See chapter 19 for defined terms.

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- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: ..... Date: ....16/2/11.....  
(Director/Company secretary)

Print name: ..Edmond William Edwards.....

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+ See chapter 19 for defined terms.