
JUNE 2009 QUARTERLY REPORT

ATHENA RESOURCES LIMITED

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CONTACTS

Mr Ed Edwards
Executive Chairman

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Technical Director

PROJECTS

Ashburton: Gold and Basemetals

Byro: Nickel-Copper-PGE's

Ravensthorpe: Nickel-Copper



HIGHLIGHTS

BYRO

- **Geochemistry confirms the Moonborough prospect extends further north for at least 3.5 kilometres**
- **Peak assays included:-**
 - 18, 17,16, 12, 11 and 10 ppb platinum**
 - 31, 21 and 10 ppb palladium**
 - 162, 132, 94, 84 and 74 ppm copper**
- **The Moonborough trend remains open, with the magnetic data showing the zone to extend over 2 kilometres to the north.**

ASHBURTON

- **Drilling scheduled to commence at Kooline in the September Quarter.**

CORPORATE

- **Rights Issue successful – Raising \$573,010.**



Athena Resources Limited – Fourth Quarter Activities Report

Overview

Athena Resources Limited (“Athena” or the “Company”) (**ASX: AHN**) is a Western Australian focused gold, nickel, and base metals explorer. The Company is targeting “green-fields” Archaean and Proterozoic terranes that display features indicative of large world class mineral deposits. Athena’s competitive advantage comes from acquiring large landholdings in these areas and applying modern GIS, assay, and geophysical methods to identify and test targets and improve exploration success.

Athena’s tenement portfolio includes extensive strategic holdings at Byro in the Murchison Region, Kooline in the Ashburton and Ravensthorpe in the Great Southern Region. The Company is exploring for copper-nickel sulphide and platinum group metals associated with mafic igneous rocks at Byro and Ravensthorpe and gold-copper-silver-lead mineralisation at Ashburton.

The Company has over 3,500km² under granted tenure or application. Details of Athena’s corporate profile and projects can be found on the website – www.athenaresources.com.au

1. BYRO PROJECT (Athena Resources 80%, contributing 100%)

A review of the tenement applications at Byro resulted in Athena withdrawing a number exploration licence applications that are outside the area of immediate interest to the Company (Figure 1). The Company continued to carry out low impact exploration (reconnaissance rock chip and soil geochemistry) over priority targets, including the northern extension to the Moonborough prospect.

High-resolution images of the aeromagnetic data indicate (Figure 2) that the mafic host unit at Moonborough which contains the platinum, palladium and copper mineralisation extends north under shallow cover for at least 6 kilometres. Reconnaissance traverses of soil geochemistry over this trend subsequently confirmed this interpretation and showed the mineralisation to extend for a further 3.5 kilometres north from the Moonborough prospect; the limit of the geochemical coverage. The geochemistry, in conjunction with aeromagnetic imagery, also indicates that the mineralised horizon is open to both the north and the south.

Platinum, palladium and copper have a preference for bonding with sulphur and are indicators of sulphide mineralisation. The importance of the elevated platinum (10, 11, 12, 16, 17, 18 ppb), palladium (10, 21, 31 ppb) and copper (74, 84, 94, 132, 162 ppm) assays in these and the earlier samples from Moonborough cannot be over stated. These latest results confirm that Athena has identified a fertile mafic igneous system at Moonborough. Further work in the form of electrical geophysical (Electro-Magnetic and Induced Polarisation) surveys is required to identify specific targets for drill testing.

Moonborough is one of several copper-nickel-PGE targets associated with mafic rocks Athena has identified in the Byro area, and the Company regards the region as a potential new province for this style of mineralisation.

A compilation of data from past exploration from Open File Reports over the Byro East prospect is underway. During the 1970s Jododex and Western Mining Corporation carried out only limited drilling of one of a series gossans. The best result was an intersection of 67 metres at 0.67% copper and 0.3% nickel, including 16.8 metres at 1.17% copper and 0.33% nickel. A hole 44 metres further north intersected 3 metres at 1.35% copper and 0.1% nickel; and 29 metres to the south a drill hole returned 32 metres at 0.47% copper and 0.27% nickel. The mineralisation is open at depth. A small ultramafic body to the east has recorded gossan samples up to 1.2% nickel and 0.15% copper. More recently Yilgarn Mining Limited (now Brockman Resources Ltd) and Mithril Resources Limited conducted a number of geophysical surveys and drilled reverse circulation drill holes. Athena is assessing the effectiveness of this work.

2. ASHBURTON PROJECT (Athena Resources 100%, P08/493 95%, M08/189 90%)

No field work was carried out on the Ashburton project (Figure 3) during the Quarter. However, A Program of Work (POW) was lodged with the Department of Mines and Petroleum (DMP) for Athena's drilling at Kooline and approval for this program has been received. Twenty holes have been planned to test strong geophysical anomalies aligned with both outcropping mineralisation and historic workings at Kooline. Given the massive nature of the silver-lead sulphide mineralisation the Company expects to have visual confirmation of the drilling as it progresses, enabling follow-up as required. The drilling program is expected to be completed before the end of the September Quarter.

In 2008 Athena carried out a series of induced polarisation (IP) surveys over the June Audrey, Pharlap, Silver King/Rainbow prospects. These surveys identified three conductive zones with coincident resistive anomalies that exceed 400 metres of strike and one that has a strike length of over 700 metres. Dipole-dipole surveys across the Audrey June and Silver King/Rainbow workings identified strong conductive bodies 50 metres below the surface. These targets are below the deepest level of any of the workings. The Kooline silver-lead prospects have never been drill tested. The September Quarter planned reverse circulation drilling program will test the exploration model ahead of more extensive geophysical surveys over the remaining targets and further drilling. The extensive Gift and Bilrose workings have not been tested by IP surveys.

Three historic mines the Gift, June Audrey and Bilrose were responsible for about 60% of the production the Kooline silver-lead field in the 1950's. Each of these three mines had its own treatment plant consisting of a battery or crusher and a concentrator.

Athena's conceptual exploration target has comparable dimensions to the historic workings; that is a strike length of at least 100 metres, a down dip extension of at least 50 metres and at least 2 metres thick. An ore body with these dimensions is 10,000 cubic metres and with a specific gravity of 5-6 tonnes per cubic metre would contain 50-60,000 tonnes of ore.



Athena Resources Limited – Fourth Quarter Activities Report

3. RAVENSTHORPE PROJECT (Athena Resources 100%)

No field work was carried out on the Ravensthorpe project during the June 2009 Quarter

Athena is seeking a partner to manage and explore the Ravensthorpe tenements, and an Information Memorandum has been sent to a number of interested parties.

5. CORPORATE

Athena's Directors are very pleased to have successfully completed the rights issue announced on 28 April 2009 and with the level of shareholder support. Existing shareholders accounted for 89% of the issue. After placement of the shortfall Athena successfully raised \$573,010 and issued 19,100,325 new shares, bringing the total issued capital of Athena to 57,300,974 fully paid shares.

At the end of the Quarter the Company had \$610,000 cash at bank. These funds will be sufficient for the proposed drilling at Kooline and the initial exploration program planned for the Byro project.

Donald Thomson
Technical Director
28 July 2009

Forward-looking Statements

This document contains forward-looking statements concerning Athena's Projects that, despite being based on Athena's current expectations about future events, are subject to risks and uncertainties outside the control of Athena and its Directors. Forward-looking statements are not based on historical fact, and actual events or results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and assumptions.

The potential quality and grade of the untested areas of the Byro and Ashburton projects are conceptual in nature and there has been insufficient exploration to define Mineral Resources at these projects and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Competent Persons Statement

The technical information relating to Athena's exploration projects was compiled by Mr Donald Thomson, an employee of Indigo Exploration Services Pty Ltd. Mr Thomson is a Member of the Australasian Institute of Mining and Metallurgy, and has sufficient relevant experience in the styles of mineralisation and deposit styles under consideration to qualify as a Competent Person as defined in "The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2004 edition)". Mr Thomson consents to this inclusion of the information in this report in the context and format in which it appears.

400000 mE

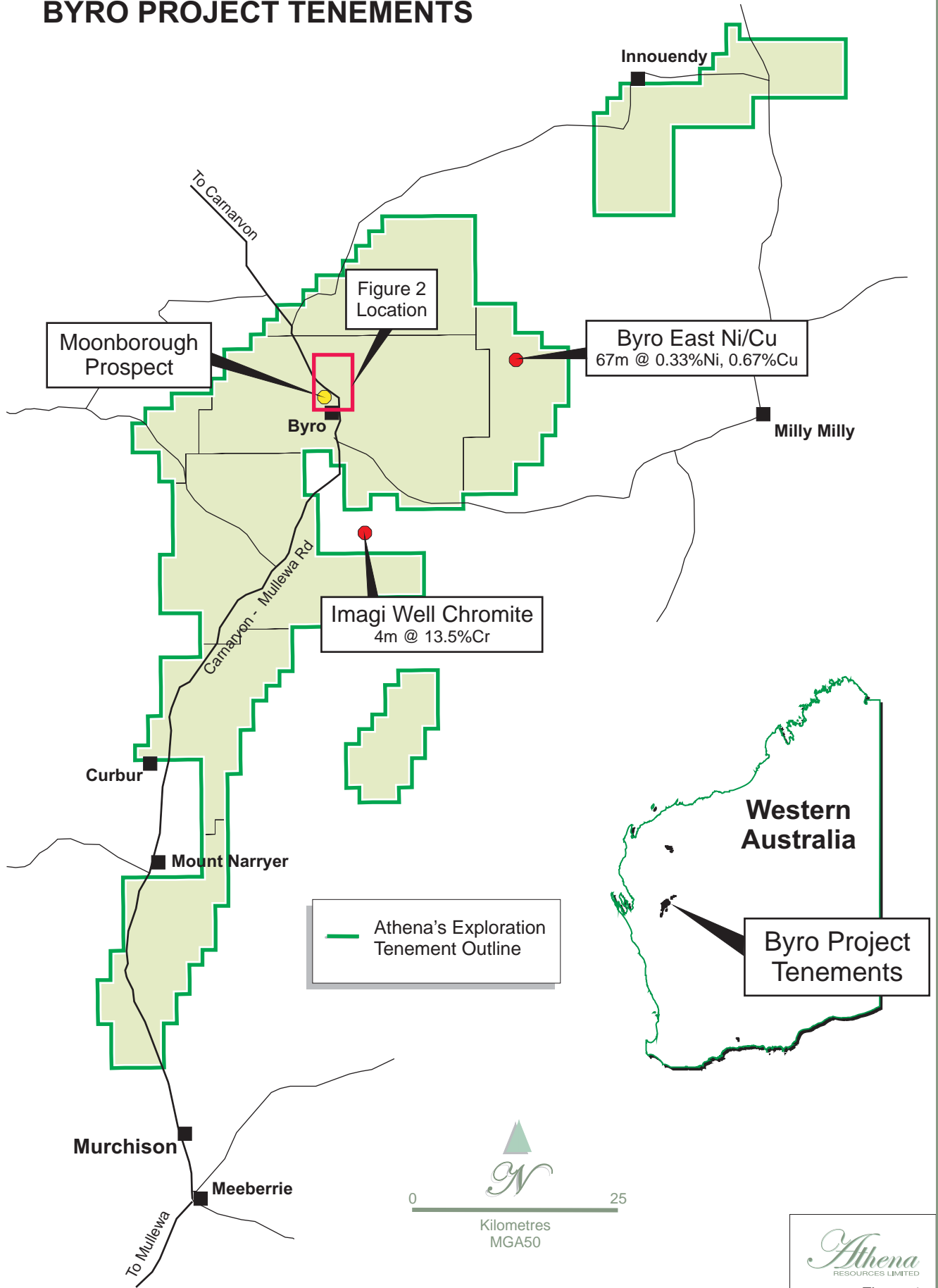
450000 mE

BYRO PROJECT TENEMENTS

7150000 mN

7100000 mN

7050000 mN



— Athena's Exploration Tenement Outline

Western Australia

Byro Project Tenements

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Figure 1

416000 mE

418000 mE

BYRO PROJECT MOONBOROUGH EXTENSION

SOIL SAMPLING RESULTS
OVERLYING FILTERED
HIGH RESOLUTION
AEROMAGNETIC DATA

7 ppb Pt
9 ppb Pd
58 ppm Cu

Prospective
Moonborough
Extension

3 ppb Pt
21 ppb Pd
162 ppm Cu

18 ppb Pt
9 ppb Pd
50 ppm Cu

7120000 mN

7118000 mN

Previous
Athena Soil
Sampling Grid

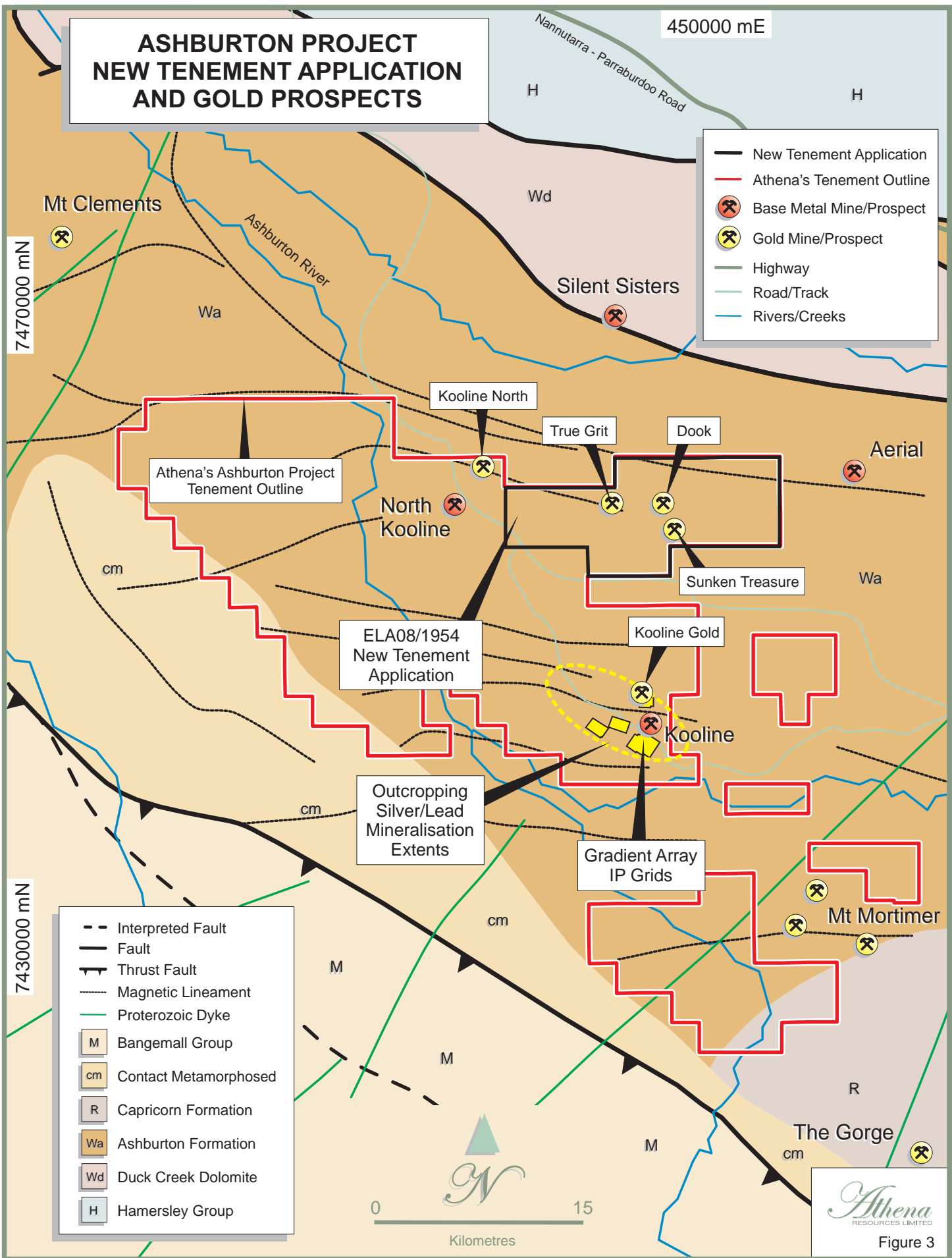
Moonborough
Prospect

Carnarvon - Mullewa Rd



Figure 2

ASHBURTON PROJECT NEW TENEMENT APPLICATION AND GOLD PROSPECTS



- New Tenement Application
- Athena's Tenement Outline
- ⊗ Base Metal Mine/Prospect
- ⊗ Gold Mine/Prospect
- Highway
- Road/Track
- Rivers/Creeks

- Interpreted Fault
- Fault
- Thrust Fault
- Magnetic Lineament
- Proterozoic Dyke
- M Bangemall Group
- cm Contact Metamorphosed
- R Capricorn Formation
- Wa Ashburton Formation
- Wd Duck Creek Dolomite
- H Hamersley Group

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 Figure 3