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ATHENA RESOURCES LAUNCHES FULLY UNDERWRITTEN RENOUNCEABLE ENTITLEMENT OFFER TO RAISE ~$2.7M

Funding to enable the Company to advance the Byro Magnetite project, enable recruitment of a new CEO and for business development and working capital

KEY HIGHLIGHTS

- **Renounceable Entitlement Offer of one new share for every two shares held on the Record Date at an issue price of A$0.004 per new share to raise up to ~A$2.67M.**
- **The Entitlement Offer is fully underwritten by ASX-listed Mid-West mining company Fenix Resources Limited, which has agreed to the conversion of 53 of its existing convertible notes to obtain a 19.84% shareholding in the Company prior to the Entitlement Offer opening.**
- **All Directors of Athena who hold interests in Shares have indicated their intention to take up their full Entitlements.**
- **Funds are proposed to be directed towards:**
    - **Upgrading the confidence in the Byro Magnetite Project's FE1 Scoping Study including further metallurgical, hydrology, power and environmental assessments;**
    - **Conducting further exploration work on the Company's tenements;**
    - **Investigating opportunities in the Green Steel industry;**
    - **Funding the recruitment of a new CEO for the Company; and**
    - **Providing general working capital.**

Athena Resources Limited (ASX: AHN) ("Athena" or the **"Company")** is pleased to announce a fully underwritten one for two renounceable pro rata entitlement offer of new fully paid ordinary shares in the Company ('New Shares') at an issue price of A$0.004 per New Share ('Offer Price') to raise gross proceeds of approximately A$2.67 million before costs ('Entitlement Offer' or 'Offer').

Under the Entitlement Offer, eligible shareholders (as detailed in the Entitlement Offer Booklet to be dispatched by Athena) are entitled to acquire one New Share for every two existing fully paid ordinary shares in the Company ('Shares') held on the record date, being 4:00pm (Perth time) on Thursday, 5 December 2024 ('Record Date').

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The Offer Price represents a premium of approximately 33.3% to the Company's closing price of Shares on 29 November 2024 of $0.003, being the last trading day prior to the announcement of the Entitlement Offer. The Offer Price represents a:

- premium of approximately 1.3% to the volume weighted average market price (as defined in the ASX Listing Rules) of Shares of $0.00395 for the twenty trading days prior to 2 December 2024; and
- discount of approximately 8.6% to the volume weighted average market price (as defined in the ASX Listing Rules) of Shares of $0.00438 for the thirty trading days prior to 2 December 2024.

Partial Conversion of Convertible Notes

In March 2024, the Company secured a binding agreement from **Fenix Resources Limited** (**ASX:FEX**) ("**Fenix**") to subscribe for 100 convertible notes (**Convertible Notes**) to raise $1,000,000 (see ASX Announcement dated 1 March 2024). The issue of these convertible notes was approved by Athena shareholders at a meeting on 23 May 2024.

Fenix has agreed to the conversion of the principal of 53 of those Convertible Notes into a total of 265,000,000 Shares. That issue of Shares will occur by the Record Date and will result in Fenix holding a 19.84% shareholding in the Company, and Fenix will consequently have an entitlement to participate in the Entitlement Offer as an eligible shareholder.

Fenix has indicated an intention to fully take up their entitlement under the Offer.

Entitlement Offer Fully Underwritten

The Entitlement Offer is fully underwritten by Fenix via an underwriting agreement (the terms of which are summarised in the Entitlement Offer Booklet which accompanies this announcement).

The Directors of Athena have structured the Entitlement Offer and the underwriting agreement to allow maximum flexibility for existing Athena shareholders to participate, including a top up facility whereby all shareholders are invited to apply to receive further New Shares above their entitlement. In addition, the underwriting agreement allows the Directors to allocate any remaining shortfall to eligible sophisticated and professional investors ahead of the Fenix underwriting.

While Fenix have indicated they will fully take up any entitlement under the Offer, the terms of the underwriting agreement preclude Fenix from subscribing for any shortfall shares under the top up facility or purchasing any entitlements from other existing Athena shareholders.

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The support of Fenix as underwriter provides confidence that the Offer will be successful in raising approximately $2.67 million.

Key Terms of the Entitlement Offer

Key terms of the Entitlement Offer are set out in the following table.

Nature of Entitlement Offer	Renounceable pro rata entitlement offer of New Shares
New Share issue price	A$0.004
Offer ratio	1 New Share for every 2 Shares held on the Record Date
Estimated maximum number of New Shares to be issued (subject to rounding)	667,733,779 New Shares
Estimated maximum amount to be raised under the Entitlement Offer (subject to rounding)	A$2.67 million
Underwriter	Fenix Resources Limited

The Entitlement Offer will be made to persons registered as shareholders of Athena at 4:00pm (Perth time) on the Record Date who have a registered address in Australia, New Zealand or Hong Kong and are determined to be eligible in accordance with the Entitlement Offer Booklet for the Entitlement Offer (which is being announced to the ASX with this announcement). Athena has appointed Westar Capital Limited to act as nominee for the ineligible shareholders, to arrange for the potential sale of the entitlements which would have been offered to them had they been eligible to participate in the Entitlement Offer.

Under the Entitlement Offer, Athena will issue a maximum of approximately 667,733,779 New Shares (subject to rounding of entitlements), resulting in the total share capital of Athena after the completion of the Entitlement Offer increasing to up to approximately 2,003,201,337 Shares. New Shares issued under the Entitlement Offer will rank equally with Shares already on issue.

Please refer to the Entitlement Offer Booklet for the Entitlement Offer for further information.

Eligible shareholders who do not take up their entitlements will have their proportional interest in Athena diluted.

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Further, eligible shareholders who take up all of their entitlements under the Entitlement Offer will also be afforded the opportunity to apply for New Shares in excess of their entitlement under a top up facility, for the Board of Athena to consider when allocating any shortfall of the Entitlement Offer (refer to the Entitlement Offer Booklet for the terms and conditions of the top up facility). Refer also to section 6.4 of the Entitlement Offer Booklet for details of the allocation policy for the shortfall of the Entitlement Offer.

Key Dates

Key dates for the Entitlement Offer are set out in the following table. The dates are indicative only and Athena reserves the right to vary them, subject to the Corporations Act and ASX Listing Rules.

Action	**Date**
Announcement of the Entitlement Offer	Monday, 2 December 2024
Shares quoted on an “ex” basis and entitlements trading starts on a deferred settlement basis	Wednesday, 4 December 2024
Record Date to determine entitlements to participate in the Entitlement Offer	Thursday, 5 December 2024 (4:00pm Perth time)
Entitlement Offer Booklet and Entitlement and Acceptance Form dispatched	Tuesday, 10 December 2024
Entitlement Offer opens	Tuesday, 10 December 2024
Entitlements trading ends	Monday, 16 December 2024
Entitlement Offer closes	Monday, 23 December 2024 (5pm Perth time)
Announcement of outcome of the Entitlement Offer	Monday, 30 December 2024
Anticipated date for the issue of New Shares under the Entitlement Offer	Tuesday, 31 December 2024

Indicative use of proceeds from the Entitlement Offer

Funds are proposed to be directed towards:

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- Seeking to upgrade the confidence in the Byro Magnetite Project's FE1 Deposit Scoping Study including further metallurgical, hydrology, power and environmental assessments;
- Conducting further exploration work on the Company's tenements;
- Investigating opportunities in the Green Steel industry;[1]
- Funding the recruitment of a new CEO; and
- Providing general working capital for the Company.

The Directors of Athena reserve the right to reallocate funds for different purposes, as they consider prudent or as required.

Indicative capital structure on completion of the Entitlement Offer

The exact number of New Shares to be issued pursuant to the Entitlement Offer may vary and will be dependent on (among other things) the rounding of entitlements.

If the Company completes the Entitlement Offer and issues the estimated maximum number of New Shares, the Company's capital structure will be as follows upon completion of the Entitlement Offer (subject to rounding and subject to no further issues having occurred, for example from the conversion of Options into Shares):

	Number of Shares (subject to rounding)	Number of Listed Options	Number of Unlisted Options	Convertible Notes
Balance as at the date of this announcement	1,070,467,558	582,656,853	75,000,000	100
Fenix conversion of 53 Convertible Notes	265,000,000	-	-	(53)
Entitlement Offer	667,733,779	-	-	-
Total upon completion of the Entitlement Offer (assuming no Options are exercised)	**2,003,201,337**	**582,656,853**	**75,000,000**	**47**

Note: For the avoidance of doubt, the Company reserves the right to issue further securities from time to time.

[1] This is an aspirational statement and is not a forecast. The Company does not yet have reasonable grounds to believe that any opportunities in the green steel industry will eventuate.

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Additional Information

Additional information regarding the Entitlement Offer is detailed in the Investor Presentation and Entitlement Offer Booklet to be released to the ASX today. The Investor Presentation and Entitlement Offer Booklet detail important information including key risks and Australian and foreign legal restrictions with respect to the Entitlement Offer.

This announcement was authorised by the Board of Athena Resources Limited.

For further information, contact:

John Welborn	Peter Newcomb
Chairman	Executive Director
Athena Resources Limited	Athena Resources Limited
john@athenaresources.com.au	peter@athenaresources.com.au

About Athena

Athena is a Western Australian based exploration company with the objective of acquiring mineral projects with the potential to be developed into profitable mining operations. Athena's flagship project is the Byro magnetite project, a premium high-grade magnetite resource situated 410km from the Port of Geraldton offering a unique high iron, low impurity product with relatively low capex requirements compared to other regional Western Australian explorers and producers.

Future performance and forward-looking statements

This announcement contains certain forward-looking statements including, but not limited to, projections, guidance on the outcome and effects of the Entitlement Offer and the use of proceeds and the future performance of Athena. Forward looking statements include those containing words such as: "anticipate", "believe", "expect", "estimate", "should", "will", "plan", "could", "may", "intends", "guidance", "project", "forecast", "target", "likely", "continue", "objectives" and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, the outcome and effects of the Entitlement Offer, the use of the Entitlement Offer proceeds, certain plans, strategies and objectives of the Board and other matters. Any forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to change without notice and involve known and unknown risks and uncertainties and other factors which are beyond the control of Athena and its officers, employees, agents, associates and advisers. This includes any statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Readers are cautioned not to place undue reliance on forward-looking statements. Actual results may differ materially from those expressed or implied in such statements. Except as required by law or regulation (including the ASX Listing Rules), Athena undertakes no obligation to update these forward-looking statements or to provide any other additional or updated information whether as a result of new information, future events or results or otherwise.

To the maximum extent permitted by law, Athena and its officers, employees, agents, associates and advisers do not make any representation or warranty, express or implied as to the currency, accuracy, reliability or completeness of any forward-looking statements, or the likelihood of fulfilment of any forward-looking statement, and disclaim all responsibility and liability for the forward-looking statements (including, without limitation, liability for negligence). Refer to the “Key Risks" section of the Investor Presentation accompanying this announcement for a summary of certain risk factors that may affect Athena. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements.

The forward-looking statements are based on information available to Athena as at the date of this announcement.

Investment Risk

An investment in Athena is subject to known and unknown risks, some of which are beyond the control of Athena, including possible loss of principal invested. Athena does not guarantee any return on investment, any particular rate of return or the performance of Athena, nor does it guarantee any particular tax treatment. Investors should have regard (amongst other things) to the risk factors outlined in the Key Risks section of the Investor Presentation accompanying this announcement for certain risks relating to an investment in Athena.

Not an offer of securities

This announcement is not a prospectus, product disclosure document or other offering document under Australian law (and will not be lodged with ASIC) or any other law. This announcement is for information purposes only and should not be considered as an offer, solicitation, inducement recommendation or an invitation to acquire securities in Athena or any other financial products and neither this document nor any of its contents will form the basis of any contract or commitment. Offers of securities in Athena will only be made in places in which, or to persons to whom, it would be lawful to make such offers. This announcement must not be disclosed to any other person and does not carry any right of publication.

Not an offer in the United States

This announcement does not constitute an offer of Shares in any jurisdiction in which it would be unlawful. This announcement may not be released to U.S. wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt

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from, or not subject to, the registration of the US Securities Act and applicable US state securities laws.

Not financial advice

This announcement is not financial product advice, investment advice, legal, tax or other advice or a recommendation to acquire, hold or sell Athena securities. This announcement has been prepared without taking into account the objectives, financial situation or needs of any particular recipient. Each recipient of this announcement should make its own enquiries and investigations regarding all information in this announcement including, but not limited to, the assumptions, uncertainties, risks and contingencies which may affect future operations of Athena and the impact that different future outcomes may have on Athena. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs, and seek legal, taxation and financial advice appropriate to their jurisdiction and circumstances. Athena is not licensed to provide financial product advice in respect of its securities or any other financial products. Cooling off rights do not apply to the acquisition of Athena securities. Each investor must make its own independent assessment of Athena before acquiring any securities in the Company.

Past performance

Any past performance information given in this announcement is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Effect of rounding

A number of figures, amounts, percentages and estimates, in this announcement may be subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this announcement.