ANNUAL REPORT

2014

Athena
Resources

ACN 113 758 900

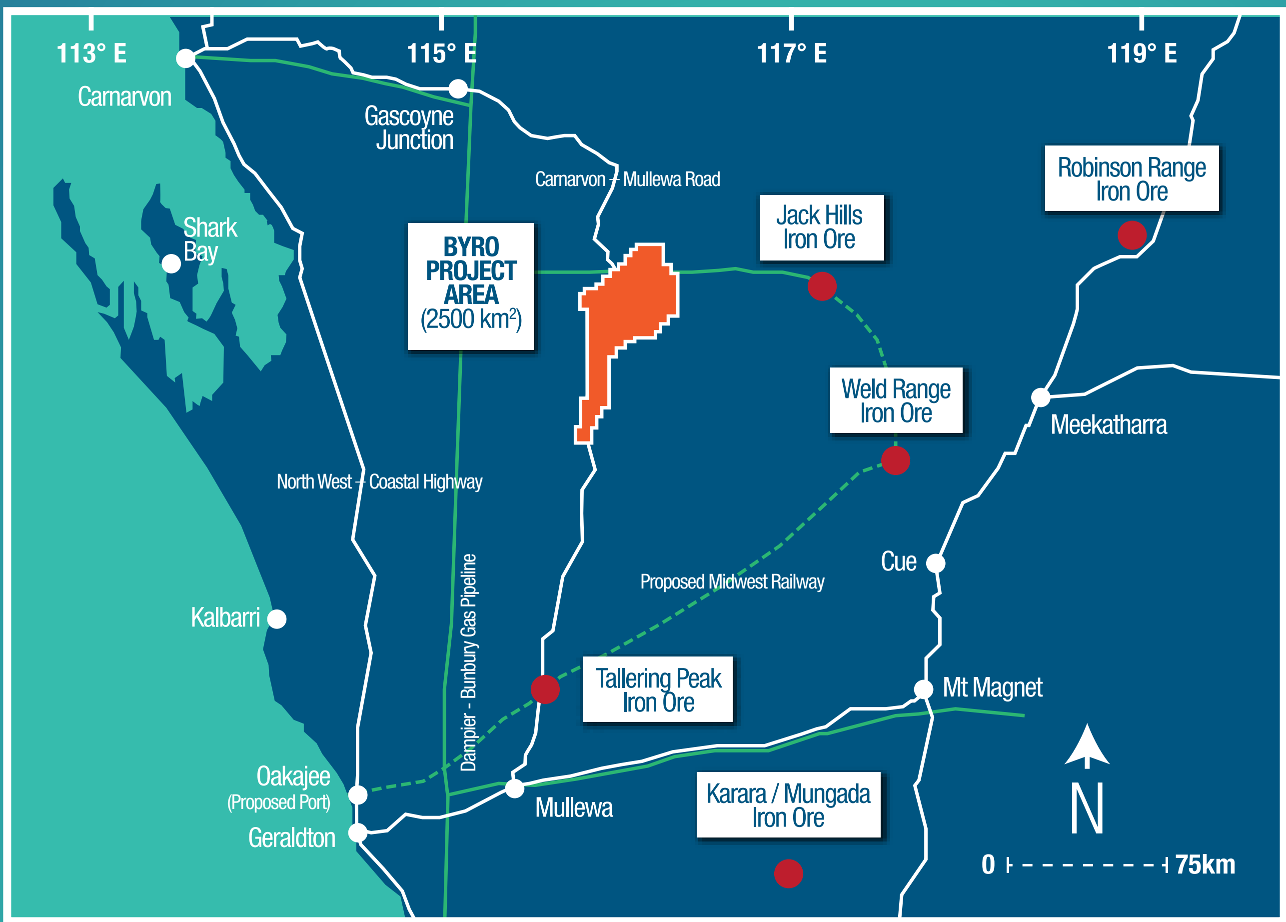

Figure 1

The photographs contained in this Annual Report are for illustration purposes only and are not necessarily assets of the Company.

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Company Information

ABN	69 113 758 900
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Securities Exchange Listing	Athena Resources Limited shares are listed on the Australian Securities Exchange (Home Exchange – Perth) ASX Code: Shares AHN
Website	www.athenaresources.com.au

REVIEW OF OPERATIONS

THE BYRO PROJECT

1. INTRODUCTION

LOCATION AND TENURE

Athena's Byro Project is located 210km north of Mullewa and 250 km north east of Geraldton. It covers approximately 2,500 square kilometres and consists of nine exploration licences. Athena has a 100% interest in the project. The Company has applied and received authorisation to explore for iron ore on the exploration licences.

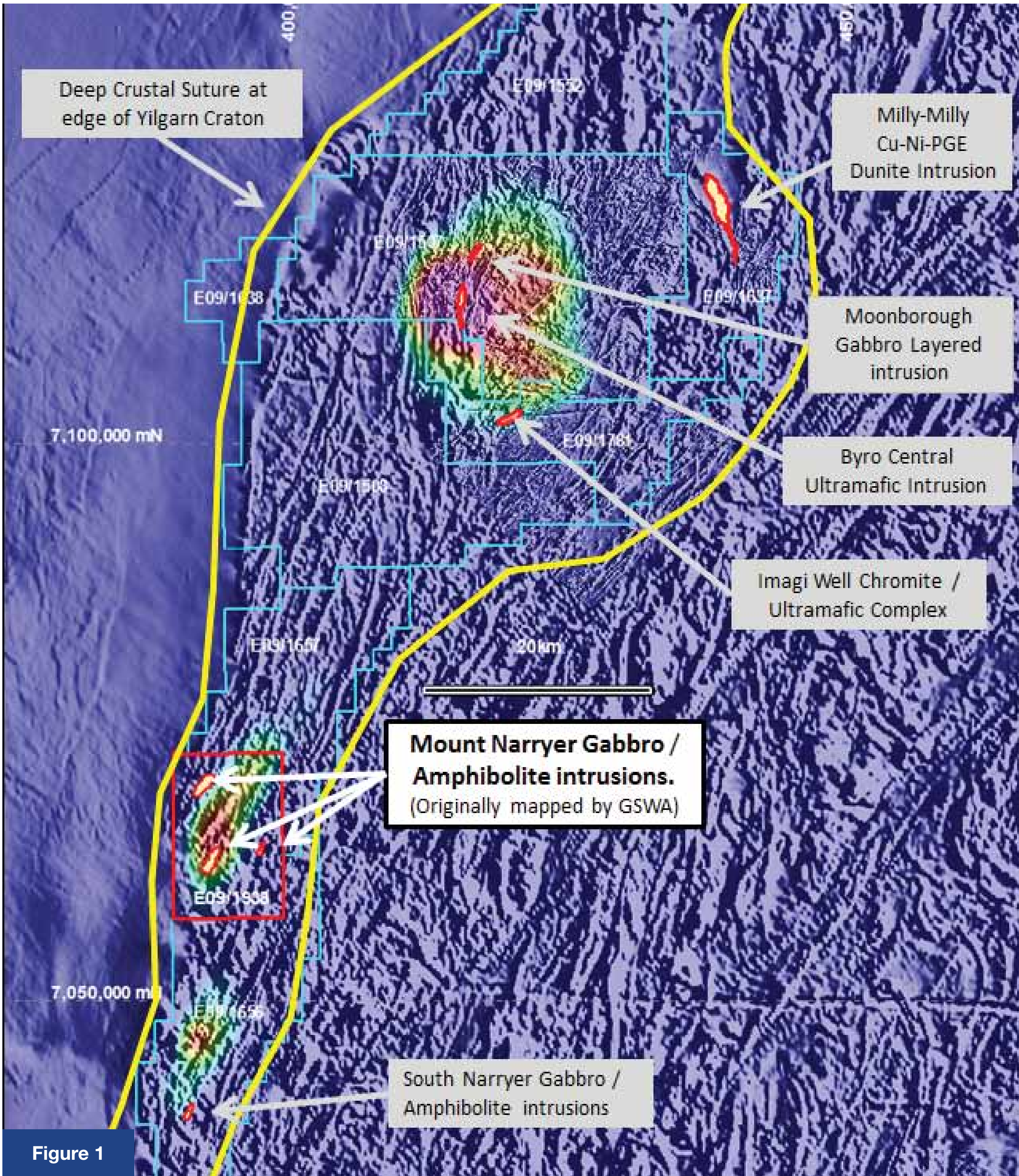


Figure 1

REVIEW OF OPERATIONS (Continued)

GEOLOGY AND MINERALISATION

Athena's Byro Project is located along the north-western margin of the Yilgarn Craton, within an Archaean Gneiss Belt which trends north-northeast for approximately 200km. The geology is predominately quartzo-feldspathic gneisses and migmatites with amphibolites, quartzites, BIF's, felsic volcanics and layered mafic-ultramafic intrusions. Regional folding and thrusting has resulted in a steep dominant westerly dip and north-northeast strike, although locally this varies from north to east. The iron ore at Byro has been characterised by a coarse metamorphic grain size, super low impurities during development of thick migmatite layers in the upper amphibolite - granulite metamorphic terrain.

Outcropping sequences of mafic to ultramafic lithologies suggest a series of prospective intrusions, the extent of which has been refined with gravity and detailed magnetic surveys where alluvial cover persists. Past exploration in the region indicates the presence of anomalous copper-nickel-PGE and chromite mineralisation. Two altered, layered mafic-ultramafic bodies are found at Taccabba Well and Imagi Well where iron-rich chromite occurrences have been discovered. Copper gossans exist at the edge of the Milly Milly Intrusion. Nearby historic drilling intersected copper and nickel mineralisation. Further drilling by Athena has advanced the understanding of this intrusive body as being a highly prospective fertile system.

2. BASE METALS - NICKEL-COPPER AND PGE

In 2006, Athena was introduced to the prodigious geological credentials and potential for base metal exploration within the Byro area hosting the Milly-Milly intrusion and the Chromite discovery within the Imiagi Well layered ultramafic intrusion, Athena has since identified three new layered intrusive systems at Moonborough, Central Byro and at Mt Narryar.

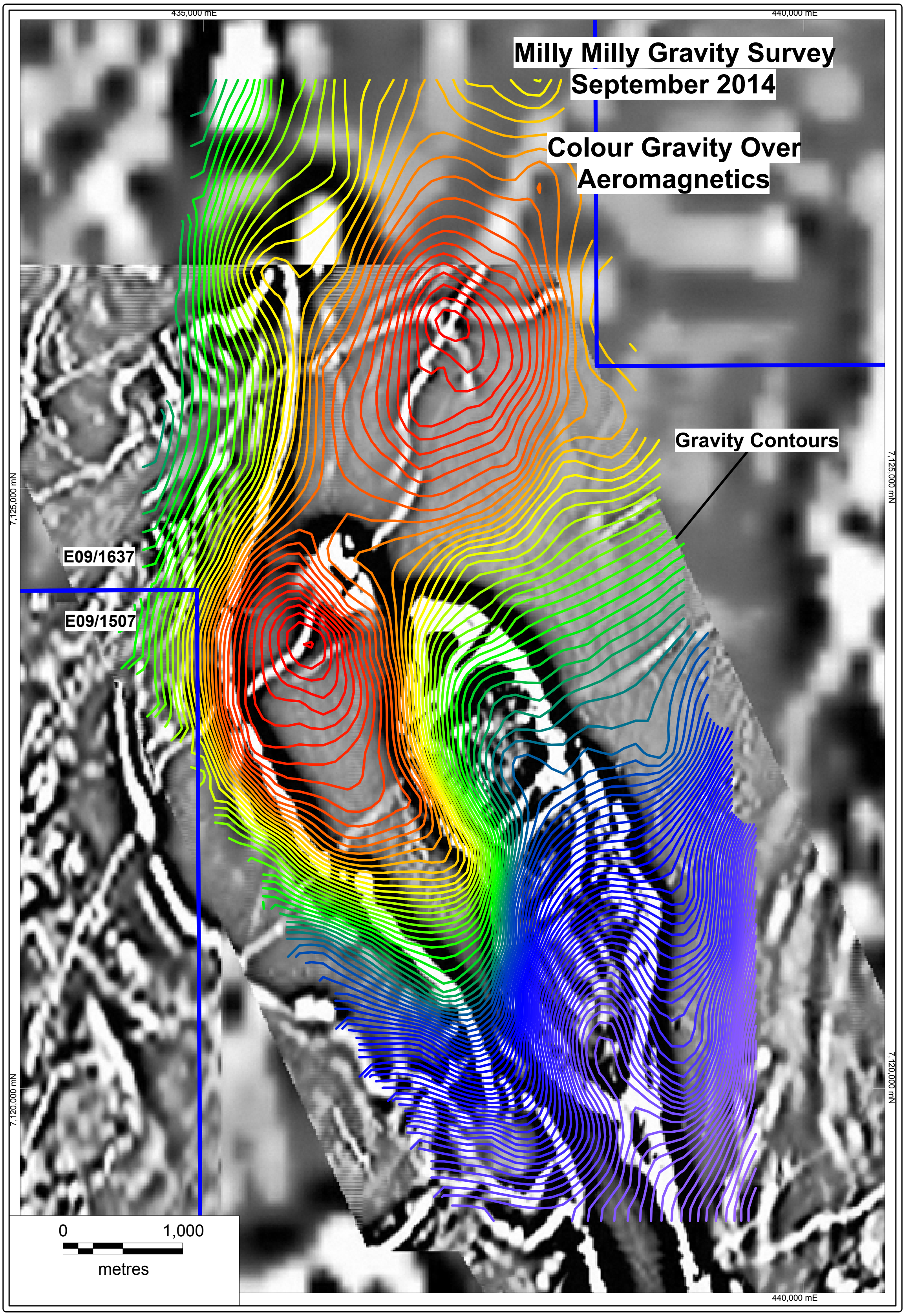
Athena considers the Byro area to be highly prospective for Ni-Cu and PGE's, The deep sutures adjacent to the Byro tenements could have sourced Ni-Cu-PGE bearing fluids from depth as seen in the Milly-Milly Ni-Cu and PGE intrusion.

Athena in 2010 confirmed the fertility of the previously under explored 6.5km × 1.5km Milly-Milly intrusion and successfully demonstrated its potential to host concentrations of Ni-Cu and PGE's. Here, copper appears in the form of native copper and has been shown to form in aggregates with the pentlandite nickel sulphide. The Ultramafic to mafic intrusions found at Byro are rare on a global scale due to the unique geological environment. Successful exploration of these systems can be extremely valuable.

The Milly Milly Intrusive is in a tectonic setting of large scale crustal sutures and extensional rifting, broadly comparable to the major Jinchuan, Voisey's Bay and Raglan deposits. Athena has confirmed the coincidence of undifferentiated mafics, mineralised pyroxenite, gabbros and dunite ultramafic rocks intruding through deeply buried high grade metamorphic country rocks common throughout the Byro tenements. This derivation is indicative of a pyroxenitic intrusive parentage in an extensional environment through deep feeder conduits incorporating potential assimilation of country rock. Ni-Cu and PGE development in conjunction with high MgO of 40% to 45% and an Mg number between 80 and 90 determined by assays demonstrate a fertile system.

The prospective attributes of the Milly Milly Intrusive include,

- Fertile altered Serpentine Antigorite c/w abundant olivine adcumulate of consistently high MgO (37.3 %< 44.8%).
- Consistent primary Ni sulphide averaging 2736 ppm.
- Anomalous zones of increased sulphur, chrome, nickel, copper and PGE's.
- Upgrade of pentlandite to millerite during serpentinisation.
- Remobilised sulphides into veinlets.
- High tenor nickel sulphide, millerite from SEM analyses, (76% Ni).



Milly Milly Gravity Survey
September 2014
Colour Gravity Over
Aeromagnetics
Gravity Contours
E09/1637
E09/1507
435,000 mE
440,000 mE
7,125,000 mN
7,120,000 mN
0
1,000
metres

Figure 2

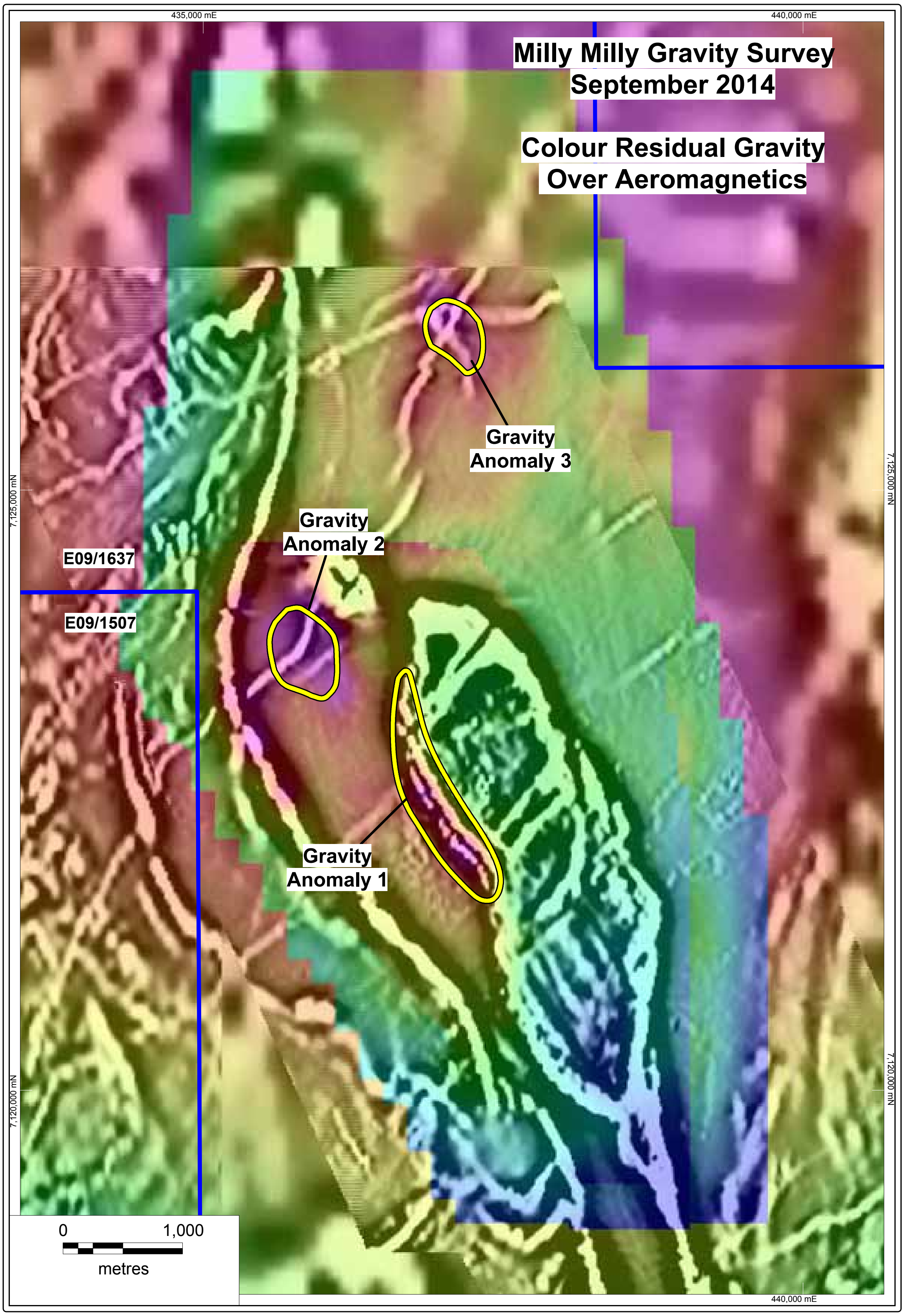

Milly Milly Gravity Survey
September 2014
Colour Residual Gravity
Over Aeromagnetics
435,000 mE
440,000 mE
7,125,000 mN
7,120,000 mN
Gravity
Anomaly 3
Gravity
Anomaly 2
Gravity
Anomaly 1
E09/1637
E09/1507
0
1,000
metres

Figure 3

REVIEW OF OPERATIONS (Continued)

High Resolution Gravity Survey

In August 2014 Athena completed a high resolution gravity survey (Figure 1) identifying three significant and untested anomalous zones. The anomalous zones rise in amplitude by up to 10 milliGals compared to background amplitudes commonly associated with the bulk of the intrusive body. Data was acquired over an area of 39 square kilometres and included 950 stations for a total of 65 line kilometres. The sample stations were at 50m, 100m and 200m spacings.

Anomalies 1 and 2 identified by the gravity survey (Figure 2), are interpreted to be at a depth within drilling range and will form a DHEM platform to further define the potential of the anomalies.

Anomaly 1 (Figure 3), is located at the western contact of the northern lobe where the gravity gradient is aligned with the western magnetic contact for a strike length of 2.5 kilometres.

Anomaly 2 (Figure 3), is located approximately 1 km northwest of anomaly 1 and carries amplitude of -3.2 milliGals which is a significant 10 milliGals higher than the central southern lobe of the intrusion and significantly higher than the density of the overlying sedimentary package.

Anomaly 3 (Figure 3) is located approximately 2 kms north of anomaly 1 and carries amplitude of -3.6 milliGals which is a significant 9.6 milliGals higher than the central northern lobe.

The high resolution gravity stations processed over anomaly 2 indicate testing the anomaly could be achieved by drilling but depths are greater than 800m. The gravity response suggests the sediment package is not as thick or deep as previously interpreted.

Electromagnetic surveys, DHEM and Ground EM are being planned to follow up on the gravity anomalies.

To date one drill hole has been completed following the recently completed detailed gravity survey (AHDH0006) targeting in the region of Anomaly 1, a local gravity anomaly, coincident with a nickel soils anomaly and a structural dilation zone. This hole was completed and intercepted disseminated and stringer sulphides in core from two zones of mineralisation. AHDH0006 was ended at 279.7m. Interpretation and targeting has been completed and drilling is underway for a second diamond drill hole, AHDH0007 targeting the high amplitude gravity at Anomaly 1 on the western contact of the Milly Milly Intrusion with an estimated target depth between 200 and 450m.

3. BYRO IRON ORE

LOCATION AND ACCESS

The Byro Iron project is strategically located in the Midwest Iron province which includes a substantial mining sector. The projects southern boundary is 210km north of the Mullewa Rail Siding by road and 250km from the Port of Geraldton. Development of the Byro Iron project is expanding the overall resource in the Midwest region along with neighbours at the Gindalbie and Ansteel's Karara Iron Project, Sinosteel's Weld Range Project, the proposed Jack Hills Expansion Project, Padbury's Robinson Range Project and Mt Gibson's Extension Hill mine amongst others. Access and improved infrastructure to the maturing iron ore province is growing with development of the CSIRO SKA Project and increased capacity and further development at the Port of Geraldton. The region is also awaiting the inevitable development of the Oakajee deep water bulk shipping port north of Geraldton to cater for the export of many billions of tonnes of iron ore currently in JORC compliant resources in the region.

The Byro Iron Ore project comprises three types of iron ore which are magnetite, insitu hematite and pisolite including lateritic hematite. All the iron ore sourced from Byro has been characterised by a coarse metamorphic grain size, super low impurities during development of thick migmatite layers in the upper amphibolite - granulite metamorphic terrain. This year a proportion of the company's work has been focused on mapping and sampling potential direct shipping hematite ore (DSO) at Byro. This work builds on the magnetite iron resource and beneficiation test work on hematite ore in the previous year. As a result of work completed the company has built up a large number of highly prospective magnetite, DSO and beneficiation hematite targets with positive assay and metallurgical test results now being included in the Byro Iron Project.

Results received during the year have further advanced the Byro Iron Ore Project in the the southern tenements at Mt Narryar and hematite ore metallurgy in the north.

REVIEW OF OPERATIONS (Continued)

MAGNETITE AT MT NARRYAR

At Mt Narryar East, magnetite assay results were consistently above 40% Fe along the length of the outcrop, with only one result, MBCR483 below. This sample was from a weathered hematite pisolite. The surface exposure of magnetite confirms the aeromagnetic anomaly of up to 5.4 kilometres length.

The Mt Narryar East outcrop displays variable thickness. At the widest point up to 80m wide and narrows to 25m in some cases. Average width is estimated around 40m. The anomaly is a first order magnetite target given its location, continuity of geology and potential volume.

The Northwest magnetite anomaly at Mt Narryar, comprises a series of close spaced interbedded parallel magnetite sequences colated with sheared granite and gneiss. Fe from assay results ranging from 35% to 40.5% Fe, taken from asporadic outcrop.

Table 1 Magnetite Assays from Outcrop at Mt Narryar East

Sample	East	North	Fe	SiO2	Al2O3	P XRF	S XRF	LOI
MBCR483	395840	7062566	23.27	54.27	4.25	0.026	0.084	6.36
MBCR484	396108	7063029	40.04	39.93	0.76	0.02	0.11	1.39
MBCR485	396115	7063143	43.58	34.31	0.99	0.03	0.12	1.77
MBCR487	396206	7063646	40.33	38.38	0.92	0.02	0.04	2.47
MBCR488	396410	7063709	46.38	27.90	1.87	0.04	0.11	2.95
MBCR489	396541	7063755	43.84	34.99	0.97	0.04	0.05	0.94
MBCR490	396027	7063704	39.17	39.20	1.56	0.03	0.07	3.02
MBCR491	397041	7064174	36.35	44.99	1.13	0.03	0.06	1.39
MBCR492	397969	7063379	37.42	42.49	0.70	0.07	0.09	0.87

REVIEW OF OPERATIONS (Continued)

Table 2. Magnetite Outcrop at Mt Narryar North West

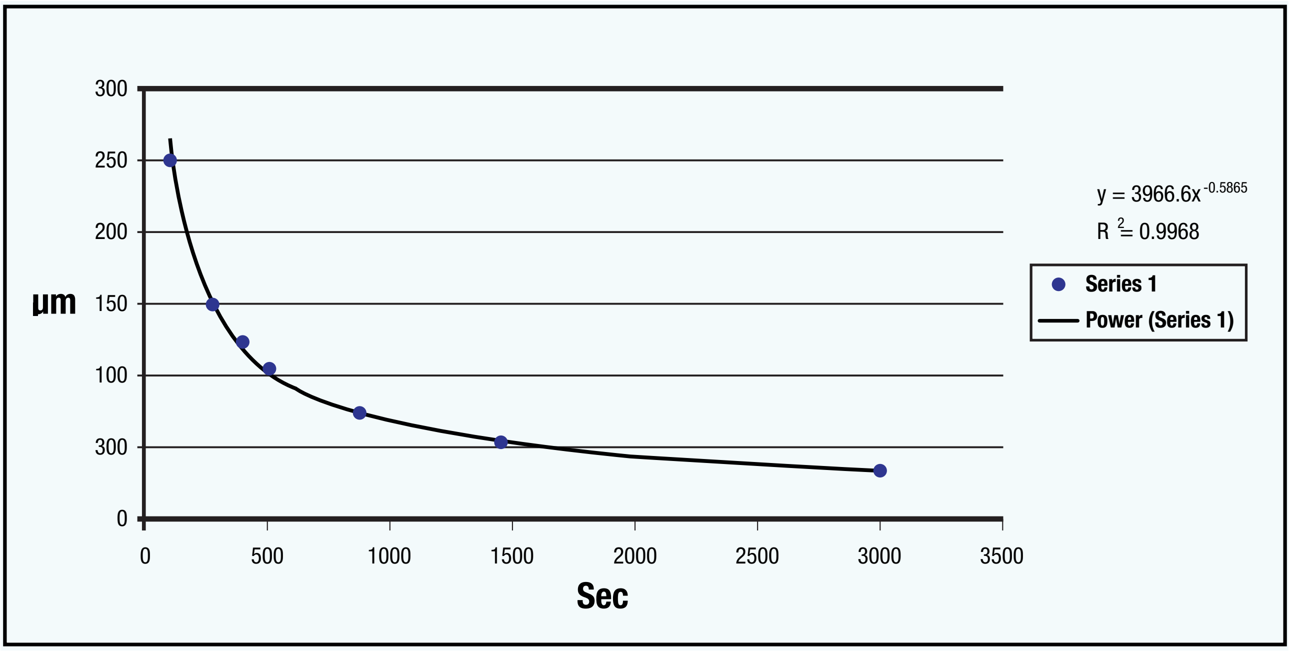
Sample	East	North	Fe	SiO2	Al2O3	P XRF	S XRF	LOI
MBCR477	390500	7066836	35.31	47.38	0.84	0.02	0.08	0.83
MBCR478	390441	7066679	40.53	38.83	0.28	0.02	0.24	1.98
MBCR479	390384	7066674	37.59	44.62	0.72	0.01	0.06	0.64
MBCR480	390302	7066450	39.66	41.23	0.77	0.07	0.08	0.52

Table 3. Wet Low Intensity Magnetic Separation Resultst

Grind Size	Magnetite Concen-trate	Fe Grade in Concen-trate	Fe Recovery	Mass Recovery
P80 250µm	94.8% Fe_3O_4	68.6% Fe	94.10%	49.40%
P80 150µm	97.9% Fe_3O_4	70.8% Fe	93.70%	47.40%
P80 125µm	98.5% Fe_3O_4	71.3% Fe	93.10%	46.50%

These results were achieved from an iron head grade of 35.5% Fe.

Figure 4. Grind Size Vs. Time to grind in seconds



FIRST PASS UPGRADE OF BYRO BENEFICIABLE HEMATITE

At the Think Big Prospect, a 5.4 Km long hematite body outcropping at kilometre scale exposures, the average iron content from surface samples to date is 43% Fe. A composite of samples was processed to test potential for upgrade to a furnace grade product. The samples were from outcrop in three separate locations over a 1 kilometre strike. The composite was crushed to 500µm and assayed, results below, in Table 3 show the composite sample had an Fe assay 44.6%. The sample was then processed through a gravity separation Wilfley table dividing the sample into seven fractions based on density. The various cuts were assayed and the cumulative results listed in Table 4.

REVIEW OF OPERATIONS (Continued)

Table 4. Composite feed grade

Conc Sample	Mass (g)	Scaled Mass (g)	% Retain	Grade (%) and Distribution					
				Fe	SiO_2	Al_2O_3	P	S	LOI1000
Calc head	2985	3000	100.00	44.9	31.77	1.55	0.02	0.07	1.76
Assay Head				44.6	32.22	1.63	0.02	0.08	1.76

The whole rock feed grade iron content of 44.6% and silica 32.2% combined is approaching 77% of the rock mass. Removal of the silica from the rock mass by simple gravity has been proven possible in the first stage, (Rougher Phase).

Table 5. Wilfley Table Concentrates Assays.

Cumulative Conc	Retain	Cum.% Retain	Cumulative Concentrate Grade (%) and Retained Distribution										
			Fe		SiO2		Al2O3		P		S		LOI
Cut 1	5.5	5.5	61.3	7.5	9.0	1.6	1.2	4.1	0.02	4.1	0.07	5.3	1.37
Cut 1 - 2	5.9	11.4	58.6	14.9	12.9	4.6	1.2	9.1	0.02	9.4	0.07	11.7	1.49
Cut 1 - 3	5.4	16.8	58.5	21.8	13.0	6.8	1.3	13.5	0.02	13.9	0.07	16.2	1.50
Cut 1 - 4	12.8	29.5	57.4	37.8	14.5	13.5	1.3	24.3	0.02	24.7	0.06	26.3	1.52
Cut 1 - 5	23.9	53.4	**55.3**	**65.8**	17.4	29.3	1.3	45.0	0.02	44.8	0.06	45.9	1.59
Cut 1 - 6	20.4	73.8	50.7	83.4	24.0	55.7	1.3	62.9	0.02	62.9	0.06	63.0	1.57

Table 5 shows the cumulative grades achieved with the cut 1 cumulate to cut 6, Cut 7 being dominantly fine clays, silica and Al_2O_3. The assay shows very low levels of contaminant minerals, sulphur Al_2O_3 and phosphorous. The results also show contaminant minerals are similar to the Byro magnetite both in JORC resource and from drilling at other locations. Grain size of the hematite within the rock varies from 0.25mm to 1.5mm with distinctive boundaries between the hematite and quartz. A grind size of 500µm was chosen on the basis of grain size and style of grain boundary. These initial results suggest this could be further optimized and will be confirmed with petrological study of the master composite grinds.

Further Surface Sampling and Mapping

The 2,500 square kilometers of tenements held by Athena host multiple locations where whole rock assays from surface sampling have demonstrated iron grades in excess of 50% Fe.

At the Heppenstal Prospect within tenement E09/1507, a new and untested hematite outcrop adjacent to previously reported high grade assays from float rock was mapped and sampled. Assays received and announced in this period range from 46.1% Fe up to 52.4% Fe.
Hematite/martite in samples from this location display a grain size of up to 4mm under reflected light microscopy. Some of the martite grains display occasional octahedral shapes easing identification. The very coarse grain hematite/martite presents favourable processing options. Four samples were assayed and are presented in Table 5.

Table 6. Heppenstal Prospect Assay Results

Sample ID	East	North	RL	Fe	SiO2	Al2O3	P XRF	S XRF	LOI
MBCR504	418153	7122835	352	46.10	25.83	3.41	0.036	0.106	3.73
MBCR505	418167	7122834	355	47.25	24.22	4.08	0.100	0.061	3.80
MBCR506	418412	7122707	353	52.40	16.55	1.94	0.073	0.071	5.50
MBCR507	418205	7122800	356	47.89	27.02	0.86	0.015	0.139	2.71
UNITS				%	%	%	%	%	%
DETECTION				0.01	0.01	0.01	0.001	0.001	0.01
METHOD				XRF202	XRF202	XRF202	XRF202	XRF202	ROBTGA

Direct Shipping Ore

Three potential DSO ore bodies were defined by surface mapping are the Tabaroa South Ore Body, the Heppenstall Ore Body, and the Olvidado Ore Body.

The Tabaroa South DSO Ore Body.

At Tabaroa South surface mapping and sampling followed up surface assays in excess of 56% Fe and structural interpretation. Assays have revealed high grades of up to 58.56% Fe in hematite, Table 6. Samples were taken from out crop which was mapped with a significant total length 1048m.

The body has substantial width, up to 60m in places and dips below surface at variable angles from 30 to 70 degrees. Accurate average widths cannot be calculated until drilling is completed and dip is determined. The body is marked by a 30m rise in the local topography and is bounded by shallow preferentially eroded valleys in a region of complex geology.
The northern section is strongly strained and truncated by faulting. The eastern contact appears to be constrained by an oblique thrust while the southern section is also truncated by faulting. The larger mid section is mostly competent and less fractured. Overall outcrop extends for 1040m within a topographic prominence of 20m above local drainage. This first substantial body discovered in Athena tenements to date has returned assays equivalent to direct shipping ore grade.

Table 7. Tabaroa South Assay Results

Sample ID	East	North	Fe	SiO2	Al2O3	CaO	P XRF	S XRF	LOI
MBCR531	422940	7128692	55.87	10.90	1.87	0.03	0.017	0.122	6.22
MBCR532	422954	7128654	57.04	7.10	0.85	0.08	0.028	0.134	9.18
MBCR533	422986	7128631	57.11	5.88	0.81	0.04	0.014	0.085	10.73
MBCR534	423048	7128587	56.97	6.43	1.25	0.03	0.027	0.078	9.46
MBCR535	423070	7128553	56.10	9.31	1.04	0.03	0.022	0.135	8.02
MBCR536	423060	7128498	54.73	7.23	2.15	0.12	0.039	0.252	10.41
MBCR537	423041	7128463	57.87	5.65	1.81	0.09	0.019	0.154	8.53
MBCR539	423031	7128395	57.91	5.34	1.45	0.04	0.013	0.143	9.04
MBCR540	423027	7128312	55.58	7.64	0.90	0.16	0.019	0.172	10.62
MBCR541	423059	7128251	57.40	5.89	0.59	0.13	0.017	0.105	10.26
MBCR542	423099	7128211	54.22	11.50	0.43	0.25	0.014	0.181	9.02
MBCR543	423133	7127978	58.56	6.98	1.10	0.20	0.025	0.158	6.86
MBCR544	423268	7128083	56.74	4.88	2.68	0.06	0.156	0.103	8.77
MBCR545	423264	7128020	55.98	7.05	3.03	0.11	0.086	0.148	8.10
MBCR546	423203	7127888	49.81	12.06	7.42	0.08	0.027	0.171	7.63
MBCR547	423165	7127819	53.99	8.03	3.02	0.03	0.022	0.127	10.58
MBCR548	423139	7127731	56.41	8.83	3.27	0.13	0.020	0.175	5.91

Note: Fe: Iron; SiO_2: Silicon Dioxide; Al_2O_3 : Aluminium Oxide; P: Phosphorus; LOI: Loss On Ignition. All assays are XRF.

The Heppenstall DSO Ore Body.

Surface mapping and sampling, found the origin of the high grade hematite iron previously identified in float rock assays. The DSO is a component of the larger Granular Iron Formation (GIF), which has had successful beneficiation test work completed to test potential concentration to a furnace grade, discussed later in hematite beneficiation in this quarterly.
Assays revealed DSO hematite grades at Heppenstall of up to 60.5% Fe from surface float and average grade from out crop samples of 55.55% Fe. Outcrop was mapped with a significant total length of 500m and variable width of up to15 meters, where the contact was visible. In both surface float and outcrop the hematite is massive and lacks the characteristic banding seen in the adjacent GIF formation.

REVIEW OF OPERATIONS (Continued)

Table 8. Heppenstall Surface Sample Assays

Sample Id	East	North	Al2O3	Fe	P	S	SiO2	LOI
MBCR180	418500	7122732	na	55.64	0.019	na	4.74	na
MBCR181	418455	7122774	na	55.42	0.017	na	7.92	na
MBCR182	418460	7122775	na	48.54	0.028	na	13.65	na
MBCR183	418439	7122747	na	58.25	0.067	na	5.61	na
MBCR184	418358	7122854	na	56.13	0.015	na	12.08	na
MBCR312	418415	7122923	5.01	55.37	0.039	0.157	7.15	7.17
MBCR313	418419	7122922	1.17	60.50	0.024	0.062	5.86	5.05
MBCR504	418153	7122835	3.41	46.10	0.036	0.106	25.83	3.73
MBCR505	418167	7122834	4.08	47.25	0.100	0.061	24.22	3.80
MBCR506	418412	7122707	1.94	52.40	0.073	0.071	16.55	5.50
MBCR507	418205	7122800	0.86	47.89	0.015	0.139	27.02	2.71

Note: Fe - Iron; SiO_2 - Silicon Dioxide; Al_2O_3 - Aluminium Oxide; P - Phosphorus; LOI - Loss On Ignition.
na = not assayed at the time

Table 9 Olvidado Surface Sample Assay Results

Sample ID	East	North	Fe	SiO2	Al2O3	P XRF	S XRF	LOI
MBCR517	416625	7127244	56.26	6.49	1.00	0.115	0.092	10.98
MBCR518	416616	7127219	55.34	7.43	1.38	0.094	0.103	10.51
MBCR519	416624	7127239	56.41	6.80	1.51	0.071	0.113	9.90
MBCR520	416629	7127255	52.48	14.75	0.88	0.054	0.123	8.40
MBCR521	416615	7127283	55.05	9.68	1.19	0.047	0.124	9.16
MBCR522	416621	7127309	52.18	13.12	1.03	0.037	0.229	9.58
MBCR523	416618	7127337	53.57	10.39	0.84	0.021	0.254	10.07
MBCR524	416557	7127349	43.83	26.16	2.24	0.062	0.138	7.74
MBCR525	417487	7127690	52.39	20.88	0.90	0.060	0.026	2.50
MBCR526	417345	7127842	47.45	22.80	1.51	0.192	0.042	6.74
MBCR527	417121	7127557	51.9	14.87	1.69	0.031	0.137	8.10
MBCR528	417086	7127673	55.92	7.55	1.21	0.027	0.163	9.57
MBCR529	420302	7125916	55.84	5.23	2.79	0.263	0.071	10.83
MBCR530	420305	7125944	57.36	8.47	0.63	0.049	0.090	7.95

Surface mapping and sampling followed up on Fe oxide anomaly and structural mapping. The body of the Olvidado DSO is of limited strike length, at this stage, ~300m but the extent of the Iron formations it is associated with is greater than 2.5 kilometers. Further detailed mapping will be carried out to test the areas within these iron formations that fit the modeled structural constraints.

REVIEW OF OPERATIONS (Continued)

The Think Big North DSO Ore Body.

During the June 2014, 18 samples were taken from an enriched zone at the northern section of the Think Big Prospect. Assays have revealed high grades of up to 58.67% Fe in hematite. Samples were taken from out crop which was mapped with a significant length of greater than 500m.

The rock type mapped is dominantly massive hematite plus goethite with little evidence of banding or visible discrete silica as grains. The deposit is structurally bound by contact to the east with a magnetic banded iron formation and to the west by a sheared intercalated granite and gneiss schist. The northern and southern extents appear to be truncated by faulting. The surface exposure of the hematite / goethite is pervasive between neigbouring lithologies, with an average width of approximately 40m, striking to the north and dipping to the west. The body of the deposit has a marked rise in local topography bounded by shallow preferentially eroded drainage channels within a region of ancient geology.

Table 10 Think Big Assay Result

Sample_Id	Lith	East	North	Al2O3	Fe	P	S	SiO2	LOI
MBCR286	BIF	418497	7129958	0.59	42.1	0.019	0.062	37.94	0.81
MBCR287	BIF	418492	7129815	0.37	41.1	0.031	0.028	37.76	0.48
MBCR288	BIF	418405	7129331	0.89	35.3	0.038	0.010	45.58	0.43
MBCR289	BIF	418369	7128920	0.81	32.6	0.043	0.010	49.19	0.55
MBCR451	BIF	418376	7128972	1.06	41.2	0.076	0.064	38.03	1.48
MBCR567	Hem	418382	7129157	1.62	**56.2**	0.047	0.100	5.32	11.12
MBCR568	Hem	418398	7129159	1.36	**56.4**	0.050	0.112	8.19	8.12
MBCR569	Hem	418399	7129177	1.00	**57.8**	0.044	0.153	5.31	9.38
MBCR570	Hem	418379	7129180	0.76	**56.3**	0.058	0.118	7.56	9.40
MBCR571	Hem	418382	7129203	1.02	**58.5**	0.057	0.116	5.39	8.13
MBCR572	Hem	418367	7129221	1.29	**56.6**	0.052	0.160	4.32	11.20
MBCR573	Hem	418366	7129254	0.86	**57.6**	0.041	0.118	4.88	10.04
MBCR574	Hem	418379	7129306	1.49	**56.8**	0.066	0.087	5.17	10.47
MBCR575	Hem	418397	7129348	1.49	**57.4**	0.061	0.087	4.28	10.24
MBCR576	Hem	418383	7129282	0.56	**57.5**	0.039	0.107	5.57	10.16
MBCR577	Hem	418394	7129210	0.63	**58.7**	0.061	0.133	5.30	9.16
MBCR578	Hem	418369	7128988	1.18	**57.1**	0.034	0.057	3.35	12.02
MBCR579	Hem	418365	7128947	0.91	**56.5**	0.027	0.132	4.77	11.86
MBCR580	Hem	418346	7128922	0.88	**53.1**	0.024	0.154	10.40	11.15
MBCR582	Hem	418700	7130599	1.25	**54.0**	0.100	0.108	12.29	7.72
MBCR583	Hem	418393	7129162	3.20	**54.2**	0.021	0.079	6.49	12.09

Note: Fe: Iron; SiO2: Silicon Dioxide; Al2O3 : Aluminum Oxide; P: Phosphorus; LOI: Loss On Ignition. All assays are XRF %.

This substantial size body with average Fe grades above 56% Fe adds to the other outcrops at Tabaroa South, Olvidado and Heppenstall within Athena tenements. It is Athena's highest priority to drill test the depth of these bodies.

Cautionary Notes

Forward Looking Statements

This announcement contains certain statements that may constitute “forward looking statements”. Such statements are only predictions and are subject to inherent risks and uncertainties, which could cause actual values, results, performance achievements to differ materially from those expressed, implied or projected in any forward looking statements.

JORC Code Compliance Statement

Some of the information contained in this announcement is historic data that have not been updated to comply with the 2012 JORC Code. The information referred to in the announcement was prepared and first disclosed under the JORC Code 2004 edition. It has not been updated since to comply with the JORC Code 2012 edition on the basis that the information has not materially changed since it was last reported.

Competent Persons Statement

The information included in the announcement was compiled by Mr Liam Kelly, an employee of Athena Resources Limited. Mr Kelly 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 2012 Edition)”. Mr Kelly consents to the inclusion of the information in the announcement in the context and format in which it appears and that the historical information was compliant with the relevant JORC Code, 2004 Edition, and new information announced in this report is compliant with the JORC Code 2012 Edition.

Competent Persons Disclosure

Mr Kelly is an employee of Athena Resources and currently holds securities in the company.

DIRECTORS' REPORT

Your Directors submit their report on the consolidated entity consisting of Athena Resources Limited and its controlled entities ("Athena") for the financial year ended 30 June 2014.

DIRECTORS

The names of directors who held office during or since the end of the year and until the date of this report are as follows. Directors were in office for this entire period;

David Arthur Webster	Chairman
Edmond William Edwards	Managing Director
Rajakumar Paul Kandiah	Non-Executive Director

PARTICULARS OF DIRECTORS AND COMPANY SECRETARIES

David Arthur Webster — Chairman

Experience

Mr Webster's career in Australian agriculture includes developing an extensive run of farming properties in Western Australia and restructuring the Australian wool industry. More recently Mr Webster has been involved in significant Chinese investments in agriculture and associated infrastructure in Australia. He is currently a director of Australian Wool Innovation Limited (AWI) where he is also Chairman of the Finance and Audit Committee and he is a director of the Australian Wool Testing Authority Limited.

Mr Webster's considerable commercial expertise together with many years of experience of working with government at the highest level, both in Australia and overseas, is of substantial value to Athena Resources.

Interest in Shares and Options

2,924,056 Fully Paid Shares

Special Responsibilities

Mr D Webster is Chairman of the Audit Committee.

Directorships held in listed entities

In the 3 years immediately before the end of the financial year Mr D Webster did not serve as a director of any other listed companies.

Edmond William Edwards — Managing Director and Joint Company Secretary

Qualifications

Mr Edwards is a Chartered Accountant with a Bachelor of Commerce from the University of Western Australia. He is a Fellow of The Australian Institute of Company Directors.

Experience

Mr Edwards has over 36 years of experience in the mining industry in Western Australia. He has previously been Managing Director or Finance director of a number of listed mining and exploration companies having taken many of these companies through the initial public offering, then exploration, feasibility and finally into production. These companies include Taruga Gold Limited, Scotgold Resources Ltd, Resource Mining Corporation Ltd, Fox Resources Ltd, Aztec Resources Ltd, Acclaim Exploration NL and Matlock Mining NL.

DIRECTORS' REPORT(Continued)

Interest in Shares

16,876,435 Fully Paid Shares

Special Responsibilities

Mr Edwards is responsible for the management of the company and is also a Joint Company Secretary.

Directorships held in listed entities

In the 3 years immediately before the end of the financial year Mr Edwards also served as a director of the following listed companies:

Company Name	Appointed	Resigned
Taruga Gold Limited	21/10/2011	02/09/2013

Rajakumar Paul Kandiah **Non Executive Director**

Qualification

Mr Kandiah holds a Bachelor of Science from Deakin University and a Masters of Business Administration (Executive) from the Australian Graduate School of Management. He is also a Graduate of the Australian Institute of Company Directors.

Experience

Mr Kandiah is currently a Director of Kokatu Pty Ltd, a management consultancy firm specialising in business development, strategy, supply chain management, sales, marketing and corporate finance in mining and minerals.

With over 20 years experience in the mining industry he has a wealth of commercial knowledge in commodities from iron ore to bauxite, through to diamonds and base metals. He has held a number of senior management positions in Rio Tinto, Alcoa and Orica as well as junior mining companies. He has also been responsible for business critical strategy and business development initiatives in the companies he has worked for.

Raj has been an adjunct faculty member of the Australian Graduate School of Management for two years. He brings to Athena his vast commercial experience and in particular in the sale of commodities including iron ore into China, Japan and Korea.

Interest in Shares and Options

60,000 Fully Paid Shares

Special Responsibilities

Mr Kandiah is a member of the Audit Committee.

Directorships held in listed entities

In the 3 years immediately before the end of the financial year Mr Kandiah did not serve as a director of any other listed companies.

Peter John Newcomb **Joint Company Secretary**

Qualification

Mr Newcomb is a Fellow of the Institute of Chartered Accountants in England and Wales and a member of the Institute of Chartered Accountants in Australia.

DIRECTORS' REPORT (Continued)

Experience

He has over thirty years professional and commercial experience working in a number of industries and locations including London, Scotland, Singapore and Perth. The majority of his experience over the last ten years has been in the Resources industry in Western Australia. Mr Newcomb is an executive director of Taruga Gold Limited and Company Secretary and CFO of several other public companies in WA.

PRINCIPAL ACTIVITIES

The principal activity of the consolidated entity during the year was mineral exploration in Australia.

OPERATING AND FINANCIAL REVIEW

Review of Operations
A review of operations of the group during the financial year is contained in the Review of Operations section of this annual report.

	2014	2013
Operating Results	$	$
Consolidated (loss) / profit after income tax for the financial year	(330,843)	26,126

Financial Position

At 30 June 2014 the Company has cash reserves of $78,869 and other short term assets readily realisable in cash of $23,151.

Dividends

No dividends were paid during the year and no recommendation is made as to dividends.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors, there were no significant changes in the state of affairs of the consolidated entity that occurred during the financial year under review not otherwise disclosed in this report or in the consolidated accounts.

MATTERS SUBSEQUENT TO THE END OF FINANCIAL YEAR

Since the end of the financial year under review and the date of this report, there has not arisen any matter, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to significantly affect the operations of the consolidated entity, in the current or subsequent financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company intends to continue its exploration activities with a view to the commencement of mining operations as soon as possible.

Further information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Company.

MEETINGS OF DIRECTORS

The following table sets out the number of meetings of the Company's Directors held during the year ended 30 June 2014, and the number of meetings attended by each Director. These meetings included matters relating to the Remuneration and Nomination Committees of the Company.

DIRECTORS' REPORT (Continued)

	Number eligible to attend	Number attended
Edmond William Edwards	5	5
David Arthur Webster	5	5
Rajakumar Paul Kandiah	5	5

AUDIT COMMITTEE

The audit committee is comprised of the non-executive directors Mr D Webster and Mr R Kandiah. During the year ended 30 June 2014 Mr D Webster and Mr R Kandiah attended two meetings of the Audit Committee.

REMUNERATION REPORT (Audited)

This report details the nature and amount of remuneration for each member of the key management personnel of Athena Resources Limited.

The following persons acted as directors during or since the end of the financial year:

David Arthur Webster	Chairman
Edmond William Edwards	Managing Director
Rajakumar Paul Kandiah	

The Company has no other key management personnel.

The information provided in the remuneration report includes remuneration disclosures that are required under Accounting Standards AASB 124 "Related Party Disclosures". These disclosures have been transferred from the financial report and have been audited.

Remuneration policy

The board policy is to remunerate directors at market rates for time, commitment and responsibilities. The board determines payment to the directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of directors' fees that can be paid is subject to approval by shareholders in general meeting, from time to time. Fees for non-executive directors are not linked to the performance of the consolidated entity. However, to align directors' interests with shareholder interests, the directors are encouraged to hold securities in the company.

The company's aim is to remunerate at a level that will attract and retain high-calibre directors and employees. Company officers and directors are remunerated to a level consistent with the size of the company.

All remuneration paid to directors and executives is valued at the cost to the company and expensed.

Performance-based remuneration

The company does not pay any performance-based component of remuneration.

Details of remuneration for year ended 30 June 2014

Directors' Remuneration

No salaries, commissions, bonuses or superannuation were paid or payable to directors during the year. Remuneration was by way of fees paid monthly in respect of invoices issued to the Company by the Directors or Companies associated with the Directors in accordance with agreements between the Company and those entities. Details of the agreements are set out below.

DIRECTORS' REPORT(Continued)

Agreements in respect of cash remuneration of Directors:

Mr. Edwards is the Managing Director responsible for the day-to-day operations of the Company. The Company has an agreement with Tied Investments Pty Ltd to provide the management services of Mr. Edwards to the Company in relation to its corporate activities on normal commercial terms and conditions. An annual fee of $180,000 excluding GST was paid during the year. Mr. Edwards is a director of Tied Investments Pty Ltd. The Company may terminate the contract by giving three months notice. Tied Investments Pty Ltd may terminate by giving three months notice.

Mr David Webster and Mr Rajakumar Kandiah are Non-Executive Directors. Fees payable to Mr Webster and Mr Kandiah are detailed below.

The Directors' are entitled to reimbursement of out-of-pocket expenses incurred whilst on company business.

The total remuneration paid to directors is summarised below:

Director	Associated Company	Fees	Total
Year ended 30 June 2014		**$**	**$**
E W Edwards	Tied Investments Pty Ltd	180,000	180,000
D A Webster	Cobpen Co Investments Pty Ltd	48,000	48,000
R P Kandiah	Kokatu Pty Ltd	48,000	48,000
		276,000	276,000

Director	Associated Company	Fees	Total
Year ended 30 June 2013		**$**	**$**
E W Edwards	Tied Investments Pty Ltd	180,000	180,000
D A Webster	Cobpen Co Investments Pty Ltd	48,000	48,000
R P Kandiah	Kokatu Pty Ltd	54,000	54,000
		282,000	282,000

Aggregate amounts payable to Directors and their personally related entities.

	2014	2013
	$	**$**
Current		
Accounts payable	491,484	286,884
Borrowings from Related Parties	346,000	66,000
	837,484	352,884

During the year, loans of $280,000 were extended to the Company by Directors, Mr Edwards, ($180,000) and Mr Webster ($100,000) for the purposes of supporting short-term cash flow. The loans are unsecured. The maximum amount outstanding during the period was $346,000. The balance of the loans outstanding at 30 June 2014 of $346,000 is interest free. The loans were converted to equity on 26 September 2014 (see Note 23).

There were no performance related payments, option or share based payments, superannuation payments or other benefits made during the year.

DIRECTORS' REPORT (Continued)

Director Shareholdings in the Company

Director	Balance 1 July 2013	Purchase Sale on market	Balance 30 June 2014
E W Edwards	15,260,790	1,615,645	16,876,435
D A Webster	2,494,230	429,826	2,924,056
R P Kandiah	60,000	-	60,000
	17,815,020	2,045,471	19,860,491

End of Remuneration Report

SHARE OPTIONS

As at the date of this report, there were 4,000,000 options over unissued ordinary shares in the parent entity. The 4,000,000 are unlisted, and are exercisable at $0.06 on or before 30 April 2016. Option holders do not have any right, by virtue of the option, to participate in any share issue of the company or any related body corporate or in the interest issue of any other registered scheme.

ENVIRONMENTAL ISSUES

The consolidated entity has conducted exploration activities on mineral tenements. The right to conduct these activities is granted subject to environmental conditions and requirements. The consolidated entity aims to ensure a high standard of environmental care is achieved and, as a minimum, to comply with relevant environmental regulations. There have been no known breaches of any of the environmental conditions.

INDEMNIFICATION OF DIRECTORS

During the financial year, the Company has given an indemnity or entered into an agreement to indemnity as follows:
The Company has entered into agreements with Mr E Edwards, Mr D Webster and Mr R Kandiah to indemnify them against any liability incurred by them as an officer of the Company including costs and expenses of successfully defended legal proceedings.

AUDITOR

HLB Mann Judd continues in office in accordance with section 327 of the Corporations Act 2001.

NON-AUDIT SERVICES

No non-audit services were provided by our auditors, HLB Mann Judd, during the year ended 30 June 2014.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration as set out on page 26 has been received for the year ended 30 June 2014 and forms part of this directors' report.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Signed in accordance with a resolution of the directors.

E W EDWARDS
Managing Director
Dated at Perth this 30 day of September, 2014.

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Athena Resources Limited is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of Athena Resources Limited on behalf of the shareholders by whom they are elected and to whom they are accountable. This statement reports on Athena Resources Limited's key governance principles and practices.

1. COMPLIANCE WITH BEST PRACTICE RECOMMENDATIONS

The Company, as a listed entity, must comply with the Corporations Act 2001 and the Australian Securities Exchange Limited (ASX) Listing Rules. The ASX Listing Rules require the Company to report on the extent to which it has followed the Corporate Governance Recommendations published by the ASX Corporate Governance Council (ASXCGC). Where a recommendation has not been followed, that fact is disclosed, together with the reasons for the departure.

The table below summaries the Company's compliance with the Corporate Governance Council's Recommendations:

Principle #	ASX Corporate Governance Council Recommendations	Reference	Comply
Principle 1	**Lay solid foundations for management and oversight**		
1.1	Establish the functions reserved to the board and those delegated to senior executives and disclose those functions.	2(a)	Yes
1.2	Disclose the process for evaluating the performance of senior executives.	2(h), 3(b), Remuneration Report	Yes
1.3	Provide the information indicated in the Guide to reporting on principle 1.	2(a), 2(h), 3(b), Remuneration Report	Yes
Principle 2	**Structure the board to add value**		
2.1	A majority of the board should be independent directors.	2(e)	Yes
2.2	The chair should be an independent director.	2(c), 2(e)	Yes
2.3	The roles of chair and chief executive officer should not be exercised by the same individual.	2(b), 2(c)	Yes
2.4	The Board should establish a nomination committee.	2(d)	No
2.5	Disclose the process for evaluating the performance of the board, its committees and individual directors.	2(h)	Yes
2.6	Provide the information indicated in the Guide to reporting on principle 2.	2(b), 2(c), 2(d), 2(e), 2(h)	Yes
Principle 3	**Promote ethical and responsible decision-making**		
3.1	Establish a code of conduct and disclose the code or a summary as to: · the practices necessary to maintain confidence in the company's integrity; · the practices necessary to take into account the company's legal obligations and the reasonable expectations of its stakeholders; and · the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.	4(a)	Yes
3.2	Establish a policy concerning achieving gender diversity and for the Board to establish measurable objectives.	4(c)	No
3.3	Disclose in each Annual Report the measurable objectives for achieving gender diversity		No
3.3	Provide the information indicated in the Guide to reporting on principle 3.	4(a), 4(c)	

CORPORATE GOVERNANCE STATEMENT (Continued)

Principle #	ASX Corporate Governance Council Recommendations	Reference	Comply
Principle 4	**Safeguard integrity in financial reporting**		
4.1	The Board should establish an audit committee.	3(a)	Yes
4.2	The audit committee should be structured so that it: · consists only of non-executive directors; · consists of a majority of independent directors; · is chaired by an independent chair, who is not chair of the Board; and · has at least three members.	3(a)	No
4.3	The audit committee should have a formal charter	3(a)	Yes
4.4	Provide the information indicated in the Guide to reporting on principle 4.	3(a)	Yes
Principle 5	**Make timely and balanced disclosure**		
5.1	Establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at senior executive level for that compliance and disclose those policies or a summary of those policies.	5(a), 5(b)	Yes
5.2	Provide the information indicated in the Guide to reporting on principle 5.	5(a), 5(b)	Yes
Principle 6	**Respect the rights of shareholders**		
6.1	Design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose the policy or a summary of that policy.	5(a), 5(b)	Yes
6.2	Provide the information indicated in the Guide to reporting on principle 6.	5(a), 5(b)	Yes
Principle 7	**Recognise and manage risk**		
7.1	Establish policies for the oversight and management of material business risks and disclose a summary of those policies.	6(a)	Yes
7.2	The Board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The Board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.	6(a), 6(b), 6(d)	Yes
7.3	The Board should disclose whether it had received assurance from the chief executive officer and the chief financial officer that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	6(c)	Yes
7.4	Provide the information indicated in the Guide to reporting on principle 7.	6(a), 6(b), 6(c), 6(d)	Yes

CORPORATE GOVERNANCE STATEMENT (Continued)

Principle #	ASX Corporate Governance Council Recommendations	Reference	Comply
Principle 8	**Remunerate fairly and responsibly**		
8.1	The Board should establish a remuneration committee.	3(b)	No
8.2	Clearly distinguish the structure on non-executive directors' remuneration from that of executive directors and senior executives.	3(b), Remuneration Report	No
8.3	Provide the information indicated in the Guide to reporting on principle 8.	3(b),	Yes

2. THE BOARD OF DIRECTORS

2(a) Roles and Responsibilities of the Board

The Board is accountable to the shareholders and investors for the overall performance of the Company and takes responsibility for monitoring the Company's business and affairs and setting its strategic direction, establishing and overseeing the Company's financial position.

The Board is responsible for:

- Appointing, evaluating, rewarding and if necessary the removal of the Chief Executive Officer ("CEO") and senior management;
- Development of corporate objectives and strategy with management and approving plans, new investments, major capital and operating expenditures and major funding activities proposed by management;
- Monitoring actual performance against defined performance expectations and reviewing operating information to understand at all times the state of the health of the Company;
- Overseeing the management of business risks, safety and occupational health, environmental issues and community development;
- Satisfying itself that the financial statements of the Company fairly and accurately set out the financial position and financial performance of the Company for the period under review;
- Satisfying itself that there are appropriate reporting systems and controls in place to assure the Board that proper operational, financial, compliance, risk management and internal control process are in place and functioning appropriately;
- Approving and monitoring financial and other reporting;
- Assuring itself that appropriate audit arrangements are in place;
- Ensuring that the Company acts legally and responsibly on all matters and assuring itself that the Company has adopted a Code of Conduct and that the Company practice is consistent with that Code; and other policies; and
- Reporting to and advising shareholders.

Other than as specifically reserved to the Board, responsibility for the day-to-day management of the Company's business activities is delegated to the Chief Executive Officer and Executive Management.

2(b) Board Composition

The Directors determine the composition of the Board employing the following principles:

- the Board, in accordance with the Company's constitution must comprise a minimum of three Directors;
- the roles of the Chairman of the Board and of the Chief Executive Officer should be exercised by different individuals;
- the majority of the Board should comprise Directors who are non-executive;
- the Board should represent a broad range of qualifications, experience and expertise considered of benefit to the Company; and
- the Board must be structured in such a way that it has a proper understanding of, and competency in, the current and emerging issues facing the Company, and can effectively review management's decisions

The Board is currently comprised of two Non-Executive Directors and an Executive Director. The skills, experience, expertise, qualifications and terms of office of each director in office at the date of the annual report is included in the Directors' Report.

CORPORATE GOVERNANCE STATEMENT(Continued)

The Company's constitution requires one-third of the Directors (or the next lowest whole number) to retire by rotation at each Annual General Meeting (AGM). The Directors to retire at each AGM are those who have been longest in office since their last election. Where Directors have served for equal periods, they may agree amongst themselves or determine by lot who will retire. A Director must retire in any event at the third AGM since he or she was last elected or re-elected. Retiring Directors may offer themselves for re-election.
A Director appointed as an additional or casual Director by the Board will hold office until the next AGM when they may be re-elected.

The Chief Executive Officer is not subject to retirement by rotation and, along with any Director appointed as an additional or casual Director, is not to be taken into account in determining the number of Directors required to retire by rotation.

2(c) Chairman and Chief Executive Officer

The Chairman is responsible for:

- leadership of the Board;
- the efficient organisation and conduct of the Board's functions;
- the promotion of constructive and respectful relations between Board members and between the Board and management;
- contributing to the briefing of Directors in relation to issues arising at Board meetings;
- facilitating the effective contribution of all Board members; and
- committing the time necessary to effectively discharge the role of the Chairman.

The Chief Executive Officer is responsible for:

- implementing the Company's strategies and policies; and
- the day-to-day management of the Company's business activities

2(d) Nomination Committee

The Company does not comply with ASX Recommendation 2.4. The Company is not of a relevant size to consider formation of a nomination committee to deal with the selection and appointment of new Directors and as such a nomination committee has not been formed.

Nominations of new Directors are considered by the full Board in accordance with the Company's "Selection of New Directors Policy".

2(e) Independent Directors

The Company recognises that independent Directors are important in assuring shareholders that the Board is properly fulfilling its role and is diligent in holding senior management accountable for its performance. The Board assesses each of the directors against specific criteria to decide whether they are in a position to exercise independent judgment.

Directors of Athena Resources Limited are considered to be independent when they are independent of management and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgement.

In making this assessment, the Board considers all relevant facts and circumstances. Relationships that the Board will take into consideration when assessing independence are whether a Director:

- is a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- is employed, or has previously been employed in an executive capacity by the Company or another Company member, and there has not been a period of at least three years between ceasing such employment and serving on the Board;
- has within the last three years been a principal of a material professional advisor or a material consultant to the Company or another Company member, or an employee materially associated with the service provided;
- is a material supplier or customer of the Company or other Company member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer; or
- has a material contractual relationship with the Company or another Company member other than as a Director.

CORPORATE GOVERNANCE STATEMENT (Continued)

The Board currently includes two independent non-executive Directors.

In accordance with the definition of independence above, and the materiality thresholds set, the following Directors of Athena Resources Limited are considered to be independent:

Name	Position
Mr D Webster	Chairman
Mr R Kandiah	Non Executive Director

The term in office held by each Director in office at the date of this report is as follows:

Name	Term in Office
Mr D Webster	Since 9 December 2011
Mr E Edwards	Since 11 April 2005
Mr R Kandiah	Since 14 May 2012

In recognition of the importance of independent views and the Board's role in supervising the activities of management the Chairman should be a Non-Executive Director.

2(f) Avoidance of conflicts of interest by a Director

In order to ensure that any interests of a Director in a particular matter to be considered by the Board are known by each Director, each Director is required by the Company to disclose any relationships, duties or interests held that may give rise to a potential conflict. Directors are required to adhere strictly to constraints on their participation and voting in relation to any matters in which they may have an interest.

2(g) Board access to information and independent advice

Directors are able to access members of the management team at any time to request relevant information.

There are procedures in place, agreed by the Board, to enable Directors, in furtherance of their duties, to seek independent professional advice at the company's expense.

2(h) Review of Board performance

The performance of the Board is reviewed regularly by the Chairman. The Chairman conducts performance evaluations which involve an assessment of each Board member's performance against specific and measurable qualitative and quantitative performance criteria. The performance criteria against which directors and executives are assessed is aligned with the financial and non-financial objectives of Athena Resources Limited. Directors whose performance is consistently unsatisfactory may be asked to retire.

3. BOARD COMMITTEES

3(a) Audit Committee

The board has established an Audit Committee. Due to the size of the board the Audit Committee comprises the Chairman Mr D Webster and non-executive Director Mr R Kandiah. The role and responsibilities of the Audit Committee are summarised below.

The Audit Committee is responsible for reviewing the integrity of the Company's financial reporting and overseeing the independence of the external auditors. The Board sets aside time to deal with issues and responsibilities usually delegated to the Audit Committee to ensure the integrity of the financial statements of the Company and the independence of the auditor.

The Board reviews the audited annual and half-year financial statements and any reports which accompany published financial statements and recommends their approval to the members. The Board also reviews annually the appointment of the external auditor, their independence and their fees.

The Board is also responsible for establishing policies on risk oversight and management. The Company has not formed a separate Risk Management Committee due to the size and scale of its operations.

CORPORATE GOVERNANCE STATEMENT(Continued)

External Auditors

The Company's policy is to appoint external auditors who clearly demonstrate quality and independence. The performance of the external auditor is reviewed annually and applications for tender of external audit services are requested as deemed appropriate, taking into consideration assessment of performance, existing value and tender costs. It is HLB Mann Judd's policy to rotate engagement partners on listed companies at least every five years in accordance with the Corporations Act 2001.

An analysis of fees paid to the external auditors, including a break-down of fees for non-audit services, is provided in the notes to the financial statements in the Annual Report.

There is no indemnity provided by the company to the auditor in respect of any potential liability to third parties.

The external auditor is requested to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and preparation and content of the audit report.

There were no non-audit services provided by the auditors during the year.

3(b) Remuneration Committee

The role of a Remuneration Committee is to assist the Board in fulfilling its responsibilities in respect of establishing appropriate remuneration levels and incentive policies for employees.

The Board has not established a separate Remuneration Committee due to the size and scale of its operations. This does not comply with Recommendation 8.1 however the Board as a whole takes responsibility for such issues.

The responsibilities include setting policies for senior officers remuneration, setting the terms and conditions for the CEO, reviewing and making recommendations to the Board on the Company's incentive schemes and superannuation arrangements, reviewing the remuneration of both executive and non-executive directors and undertaking reviews of the CEO's performance.

The Company has structured the remuneration of its senior executive, where applicable, such that it comprises a fixed salary, statutory superannuation and participation in the Company's employee share option plan. The Company believes that by remunerating senior executives in this manner it rewards them for performance and aligns their interests with those of shareholders and increases the Company's performance.

Non-executive directors are paid their fees out of the maximum aggregate amount approved by shareholders for non-executive director remuneration. The Company does not adhere to Recommendation 8.2 'Non-executive directors should not receive options or bonus payments'. The Company may, in the future, grant options to non-executive directors. The Board is of the view that options (for both executive and non-executive directors) are a cost effective benefit for small companies such as Athena Resources Limited that seek to conserve cash reserves. They also provide an incentive that ultimately benefits both shareholders and the optionholders, as optionholders will only benefit if the market value of the underlying shares exceeds the option strike price. Ultimately, shareholders will make that determination.

The remuneration received by directors and executives in the current period is contained in the "Remuneration Report" within the Directors' Report of the Annual Report.

4. ETHICAL AND RESPONSIBLE DECISION MAKING

4(a) Code of Ethics and Conduct

The Board endeavours to ensure that the Directors, officers and employees of the Company act with integrity and observe the highest standards of behaviour and business ethics in relation to their corporate activities. The "Code of Conduct" sets out the principles, practices, and standards of personal behaviour the Company expects people to adopt in their daily business activities.

All Directors, officers and employees are required to comply with the Code of Conduct. Senior managers are expected to ensure that employees, contractors, consultants, agents and partners under their supervision are aware of the Company's expectations as set out in the Code of Conduct.

CORPORATE GOVERNANCE STATEMENT (Continued)

All Directors, officers and employees are expected to:

- comply with the law;
- act in the best interests of the Company;
- be responsible and accountable for their actions; and
- observe the ethical principles of fairness, honesty and truthfulness, including prompt disclosure of potential conflicts.

4(b) Policy concerning trading in Company securities

The Company's "Dealings in Company Shares and Options Policy" applies to all Directors, officers and employees. This policy sets out the restrictions on dealing in securities by people who work for, or are associated with the Company and is intended to assist in maintaining market confidence in the integrity of dealings in the Company's securities. The policy stipulates that the only appropriate time for a Director, officer or employee to deal in the Company's securities is when they are not in possession of price sensitive information that is not generally available to the market.

As a matter of practice, Company shares may only be dealt with by Directors and officers of the Company under the following guidelines:

- No trading is permitted in the period of 14 days preceding release of each quarterly report, half-yearly report and annual financial report of the Company or for a period of 2 trading days after the release of such report;
- Guidelines are to be considered complementary to and not replace the various sections of the Corporations Act 2001 dealing with insider trading; and
- Prior approval of the Chairman, or in his absence, the approval of two directors is required prior to any trading being undertaken.

4(c) Policy Concerning Gender Diversity

Athena is committed to establishing a policy concerning diversity and disclosure of the policy. The policy will include requirements for the board to establish measurable objectives for achieving gender diversity and for the Board to assess annually the objectives and report in the Annual Report.

As a company with a small market capitalisation, the company has a small board. The company has no established policy in relation to gender diversity at present but is aware of the principle and will be alert for opportunities when board changes are contemplated. Given the size of the company and the limited number of employees, reporting the numbers of employees by gender is not regarded as a meaningful statistic.

5. TIMELY AND BALANCED DISCLOSURE

5(a) Shareholder communication

The Company believes that all shareholders should have equal and timely access to material information about the Company including its financial situation, performance, ownership and governance. The Company's "ASX Disclosure Policy" encourages effective communication with its shareholders by requiring that Company announcements:

- be factual and subject to internal vetting and authorisation before issue;
- be made in a timely manner;
- not omit material information;
- be expressed in a clear and objective manner to allow investors to assess the impact of the information when making investment decisions;
- be in compliance with ASX Listing Rules continuous disclosure requirements; and
- be placed on the Company's website promptly following release.

Shareholders are encouraged to participate in general meetings. Copies of addresses by the Chairman or Chief Executive Officer are disclosed to the market and posted on the Company's website. The Company's external auditor attends the Company's annual general meeting to answer shareholder questions about the conduct of the audit, the preparation and content of the audit report, the accounting policies adopted by the Company and the independence of the auditor in relation to the conduct of the audit.

CORPORATE GOVERNANCE STATEMENT(Continued)

5(b) Continuous disclosure policy

The Company is committed to ensuring that shareholders and the market are provided with full and timely information and that all stakeholders have equal opportunities to receive externally available information issued by the Company. The Company's "ASX Disclosure Policy" described in 5(a) reinforces the Company's commitment to continuous disclosure and outline management's accountabilities and the processes to be followed for ensuring compliance.

The policy also contains guidelines on information that may be price sensitive. The Company Secretary has been nominated as the person responsible for communications with the ASX. This role includes responsibility for ensuring compliance with the continuous disclosure requirements with the ASX Listing Rules and overseeing and coordinating information disclosure to the ASX.

6. RECOGNISING AND MANAGING RISK

The Board is responsible for ensuring there are adequate policies in relation to risk management, compliance and internal control systems. The Company's policies are designed to ensure strategic, operational, legal, reputation and financial risks are identified, assessed, effectively and efficiently managed and monitored to enable achievement of the Company's business objectives. A written policy in relation to risk oversight and management has been established ("Risk Management and Internal Control Policy"). Considerable importance is placed on maintaining a strong control environment. There is an organisation structure with clearly drawn responsibilities.

6(a) Board oversight of the risk management system

The Board is responsible for approving and overseeing the risk management system. The Board reviews, at least annually, the effectiveness of the implementation of the risk management controls and procedures.

The principle aim of the system of internal control is the management of business risks, with a view to enhancing the value of shareholders' investments and safeguarding assets. Although no system of internal control can provide absolute assurance that the business risks will be fully mitigated, the internal control systems have been designed to meet the Company's specific needs and the risks to which it is exposed.
Annually, the Board is responsible for identifying the risks facing the Company, assessing the risks and ensuring that there are controls for these risks, which are to be designed to ensure that any identified risk is reduced to an acceptable level.

The Board is also responsible for identifying and monitoring areas of significant business risk. Internal control measures currently adopted by the Board include:

- at least quarterly reporting to the Board in respect of operations and the Company's financial position, with a comparison of actual results against budget; and
- regular reports to the Board by appropriate members of the management team and/or independent advisers, outlining the nature of particular risks and highlighting measures which are either in place or can be adopted to manage or mitigate those risks.

6(b) Risk management roles and responsibilities

The Board is responsible for approving and reviewing the Company's risk management strategy and policy. Executive management is responsible for implementing the Board approved risk management strategy and developing policies, controls, processes and procedures to identify and manage risks in all of the Company's activities.

The Board is responsible for satisfying itself that management has developed and implemented a sound system of risk management and internal control.

CORPORATE GOVERNANCE STATEMENT (Continued)

6(c) Chief Executive Officer and Chief Financial Officer Certification

The Chief Executive Officer and Chief Financial Officer, or equivalent, provide to the Board written certification that in all material respects:

- The Company's financial statements present a true and fair view of the Company's financial condition and operational results and are in accordance with relevant accounting standards;
- The statement given to the Board on the integrity of the Company's financial statements is founded on a sound system of risk management and internal compliance and controls which implements the policies adopted by the Board; and
- The Company's risk management an internal compliance and control system is operating efficiently and effectively in all material respects.

6(d) Internal review and risk evaluation

Assurance is provided to the Board by executive management on the adequacy and effectiveness of management controls for risk on a regular basis.

7. OTHER INFORMATION

Further information relating to the company's corporate governance practices and policies has been made publicly available on the company's web site at www.athenaresources.com.au

AUDITORS INDEPENDENCE DECLARATION

HLB Mann Judd

Accountants | Business and Financial Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Athena Resources Limited for the year ended 30 June 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the Corporations Act 2001 in relation to the audit;

and

b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia
30 September 2014

M R W Ohm
Partner

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STATEMENT OF COMPREHENCIVE INCOME FOR THE YEAR ENDED 30 JUNE 2014

	Note	Consolidated Entity	
		2014 $	2013 $
REVENUE	2	1,810	2,672
EXPENSES			
Depreciation	3(a)	(13,535)	(12,656)
Employee and Consultant Costs		(337,448)	(357,050)
Exploration Written Off		(762)	-
Loss on Sale of Exploration Tenements		-	(97,554)
Listing and Share Registry Costs		(23,981)	(27,821)
Share Issue Costs	3(a)	(147,598)	-
Office and Communication Costs		(57,262)	(63,290)
Other expenses		(138,881)	(146,979)
LOSS BEFORE INCOME TAX BENEFIT		(717,657)	(702,678)
Income tax benefit	4	386,814	728,806
NET (LOSS) / PROFIT FOR THE YEAR		(330,843)	26,128
Other comprehensive income		-	-
TOTAL COMPREHENSIVE (LOSS) / PROFIT FOR THE YEAR		**(330,843)**	**26,128**
Basic (loss) / earnings per share (cents per share)	21	(0.27)	0.02

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2014

	Note	Consolidated Entity	
		2014	**2013**
		$	**$**
CURRENT ASSETS			
Cash and cash equivalents	5	78,869	259,458
Trade and other receivables	6	23,151	38,206
Prepayments	7	-	81,185
Total Current Assets		102,020	378,849
NON CURRENT ASSETS			
Plant and equipment	8	12,619	26,154
Mineral exploration and evaluation	9	6,185,350	5,725,313
Total Non Current Assets		6,197,969	5,751,467
TOTAL ASSETS		6,299,989	6,130,316
CURRENT LIABILITIES			
Trade and other payables	10	999,568	471,443
Total Current Liabilities		999,568	471,443
TOTAL LIABILITIES		999,568	471,443
NET ASSETS		5,300,421	5,658,873
EQUITY			
Issued capital	11	10,969,162	10,996,771
Reserves	12	40,000	52,500
Accumulated losses	12	(5,708,741)	(5,390,398)
TOTAL EQUITY		5,300,421	5,658,873

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2014

Consolidated Entity	Issued Capital	Accumulated Losses	Share Option Reserve	Total
	$	$	$	$
Year ended 30 June 2014				
Balance at 1 July 2013	10,996,771	(5,390,398)	52,500	5,658,873
Shares issued (net of issue costs)	(27,609)	-	-	(27,609)
Expiry of Options	-	12,500	(12,500)	-
Comprehensive loss for the year	-	(330,843)	-	(330,843)
Balance at 30 June 2014	10,969,162	(5,708,741)	40,000	5,300,421
Year ended 30 June 2013				
Balance at 1 July 2012	10,980,031	(5,436,526)	32,500	5,576,005
Shares issued (net of issue costs)	16,740	-	-	16,740
Issue of Options	-	-	40,000	40,000
Expiry of Options		20,000	(20,000)	-
Comprehensive profit for the year	-	26,128	-	26,128
Balance at 30 June 2013	10,996,771	(5,390,398)	52,500	5,658,873

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2014

	Note	Consolidated Entity	
		2014 $	2013 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers		(318,916)	(332,735)
Interest received		1,810	2,672
Interest and other finance costs paid		(340)	(4,479)
Research and Development tax offset		386,814	728,806
Net Cash Inflow From Operating Activities	17	69,368	394,264
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration expenditure		(435,935)	(597,240)
Payment for other fixed assets		-	(7,737)
Proceeds from sale of exploration assets		-	15,000
Net Cash (Outflow) From Investing Activities		(435,935)	(589,977)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares and options		-	-
Share and option issue transaction costs		(94,022)	(24,445)
Proceeds from borrowings from related party		280,000	266,000
Repayment of borrowings from related party		-	(200,000)
Net Cash Inflow From Financing Activities		185,978	41,555
Net (decrease) in cash held		(180,589)	(154,158)
Cash and cash equivalents at beginning of the financial year		259,458	413,616
Cash and cash equivalents at the end of this financial year	5	78,869	259,458

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standards and Interpretations and complies with other requirements of the law.

The financial report has also been prepared on a historical cost basis. The financial report is presented in Australian dollars.

The company is a listed public company, incorporated in Australia and operating in Australia. The entity's principal activities are mineral exploration.

The accounting policies detailed below have been consistently applied to all years presented unless otherwise stated. The financial statements are for the consolidated entity consisting of Athena Resources Limited and its subsidiaries.

Reporting Basis and Conventions

The financial report has been prepared on the basis of accounting principles applicable to a going concern, which assumes the commercial realisation of the future potential of Athena's assets and the discharge of its liabilities in the normal course of business.

The Board considers that Athena is a going concern and recognises that additional funding is required to ensure that it can continue to fund its operations and further develop its mineral exploration and evaluation assets during the twelve month period from the date of approval of this financial report. The company has access to the following potential source of funding:

- The placement of securities under the ASX Listing Rule 7.1 or otherwise;
- An excluded offer pursuant to the Corporations Act 2001; or
- The sale of assets.

Accordingly, the Directors believe that subject to prevailing equity market conditions, Athena will obtain sufficient funding to enable it to continue as a going concern and that it is appropriate to adopt that basis of accounting in the preparation of the financial report. Should Athena be unable to obtain sufficient funding as outlined above, there is a material uncertainty that may cast significant doubt whether it will be able to continue as a going concern and therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should it not continue as a going concern.

Statement of Compliance

The financial report was authorised for issue on 30 September 2014.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

Adoption of new and revised standards

Changes in accounting policies on initial application of Accounting Standards

In the year ended 30 June 2014, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period.

It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and therefore, no change is necessary to accounting policies of the consolidated entity.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014 (Note 1 Continued)

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2014. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to consolidated entity accounting policies.

Segment Reporting
Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of Athena Resources Limited.

Accounting Policies

(a) Principles of Consolidation

A controlled entity is any entity controlled by Athena Resources Limited. Control exists where Athena Resources Limited has the capacity to dominate the decision making in relation to the financial and operating policies of another entity so that the other entity operates with Athena Resources Limited to achieve the objectives of Athena Resources Limited. All controlled entities have a 30 June financial year-end.

All intercompany balances and transactions between entities in the consolidated entity, including any unrealised profit or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

Where controlled entities have entered or left the consolidated entity during the year, their operating results have been included from the date control was obtained or until the date control ceased.

(b) Income Tax

The charge for current income tax expenses is based on the profit for the year adjusted for any non-assessable or disallowable items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance date.

Deferred tax is accounted for in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the statement of comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the consolidated entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(c) Plant and Equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation.

Plant and equipment

Plant and equipment are measured on the cost basis less accumulated depreciation and accumulated impairment losses.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014 (Note 1 Continued)

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future consolidated benefits associated with the item will flow to the consolidated entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including capitalised lease assets, but excluding computers, is depreciated on a reducing balance commencing from the time the asset is held ready for use. Computers are depreciated on a straight line basis over their useful lives to the consolidated entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and Equipment	15 – 50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to accumulated losses.

(d) Mineral Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred is either written off as incurred or accumulated in respect of each identifiable area of interest. Tenement acquisition costs are initially capitalised. Costs are only carried forward to the extent that they are expected to be recouped through the successful development of the areas, sale of the respective areas of interest or where activities in the area have not yet reached a stage, which permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full in the year in which the decision to abandon the areas is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Restoration, rehabilitation and environmental costs necessitated by exploration and evaluation activities are expensed as incurred and treated as exploration and evaluation expenditure.

(e) Impairment of Assets

At each reporting date, the Directors review the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the assets, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014 (Note 1 Continued)

Where it is not possible to estimate the recoverable amount of an individual asset, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(f) Provisions

Provisions are recognised where there is a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

(g) Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and service tax (GST).

(h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expenses. Receivables and payables in the statement of financial position are shown inclusive of GST.

(j) Issued Capital

Issued and paid up capital is recognised at the fair value of the consideration received by the company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(i) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(k) Critical accounting estimates and judgements

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

(l) Key Estimates – Impairment of exploration expenditure

The Directors assess impairment at each reporting date by evaluating conditions specific to the consolidated entity that may lead to impairment of exploration expenditure. In making this assessment, the Directors have considered the existence of any possible indicators of impairment per AASB 6.

On the basis of this review, the Directors are satisfied that no impairment is present at June 30 2014.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 2 - REVENUE

	Consolidated Entity	
	2014	2013
	$	$
Revenue from non-operating activities		
Interest received	1,810	2,672
Total revenue	1,810	2,672

NOTE 3 - LOSS FROM ORDINARY ACTIVITIES BEFORE TAX EXPENSE

(a) Expenses

Depreciation of non-current assets:		
Plant and equipment	1,059	375
Office furniture and equipment	1,914	1,719
Motor vehicles	10,562	10,562
Total depreciation of non-current assets	13,535	12,656
Share issue costs expensed (i)	147,598	-

(i) During the year, $147,598 of prepaid share issue costs were expensed as the anticipated capital raisings to which they related did not occur.

(b) Loss on sale of tenements

During the prior year, the group disposed of tenements E08/1954, M08/474 and P08/493 for consideration of $15,000. The associated capitalised exploration was written off realising a loss on sale of $97,554.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 4 - INCOME TAX

No income tax is payable by Athena as each entity in the consolidated entity incurred a loss for tax purposes for the year and each has available recoupable income tax losses at balance date. The aggregate of income tax attributable to the financial year differs from the amount calculated on the operating loss. The differences are calculated as follows:

	Consolidated Entity	
	2014 $	2013 $
Loss for the year	(717,657)	(702,678)
Income tax calculated at 30%	(215,297)	(210,803)
Tax effect of permanent differences:		
Non-allowable provisions and write-downs		-
Non-allowable expenditure		-
R&D Tax Offset	386,814	728,806
Deferred tax asset not recognised	215,297	210,803
Income Tax Attributable To Operating Loss	386,814	728,806

The directors estimate the unrecognised deferred tax asset attributable to the company and its controlled entities at 30% is as follows:

Revenue Losses	3,300,785	3,227,930

The potential deferred tax asset has not been brought to account in the financial report at 30 June 2014 as the Directors do not believe it is appropriate to regard the realisation of the asset as probable. This asset will only be obtained if:

(a) The company and its controlled entity derive future assessable income of an amount and type sufficient to enable the benefit from the deductions for the tax losses and the unrecouped exploration expenditure to be realised;

(b) The company and its controlled entity continue to comply with the conditions for deductibility imposed by tax legislation; and

(c) No changes in tax legislation adversely affect the company and its controlled entity in realising the benefit from the deductions for the tax losses and unrecouped exploration expenditure.

Franking Credits

No franking credits are available at balance date for the subsequent financial year.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 5 - CASH AND CASH EQUIVALENTS

	Consolidated Entity	
	2014	2013
	$	$
Cash at bank and on hand	78,869	259,458
	78,869	259,458

NOTE 6 - TRADE AND OTHER RECEIVABLES

Current		
GST Receivable	5,283	20,668
Other	17,868	17,538
	23,151	38,206

NOTE 7 - PREPAYMENTS

Prepaid Share Issue Costs (i)	-	81,185

(i) The Group engaged external consultants during the prior year to assist in raising capital and issued 500,000 shares and 4,000,000 options exercisable at 6 cents on or before 30 April 2016 as consideration (see Note 11). These costs have been expensed in the current period

NOTE 8 - PLANT AND EQUIPMENT

Plant and equipment		
Cost	179,282	179,282
Provision for depreciation	(166,663)	(153,128)
	12,619	26,154
Movement for the year		
Opening balance	26,154	31,073
Additions	-	7,737
Depreciation expensed	(13,535)	(12,656)
Closing balance	12,619	26,154

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 9 - MINERAL EXPLORATION AND EVALUATION

	Consolidated Entity	
	2014 $	2013 $
At cost brought forward – exploration and evaluation phase	5,725,313	5,331,186
Expenditure during the year	460,799	491,680
Expenditure arising on purchase of Byro Tenement	-	15,000
Loss on Sale of Ashburton Tenements	-	(112,553)
Expenditure written off	(762)	-
At cost less impairment	6,185,350	5,725,313

The ultimate recoupment of exploration expenditure carried forward is dependent upon successful development and commercial exploration, or sale of the respective areas

NOTE 10 - TRADE AND OTHER PAYABLES

Current	Note		
Trade creditors and accruals		102,984	118,559
Due to directors - remuneration		491,484	246,227
Due to other officers - remuneration		59,100	40,657
Borrowings from Related Party	19	346,000	66,000
		999,568	471,443

NOTE 11 - ISSUED CAPITAL

a) Issued capital

123,019,392 ordinary shares fully paid (2013: 123,019,392 ordinary shares fully paid)	10,969,162	10,996,771

(b) Movements in ordinary share capital of the Company were as follows:

Date	Details	No. Of Shares	Issue Price Cents / Share	Value $
01/05/13	**Balance June 30 2012**	122,519,392		10,980,031
	Placement (i)	500,000	4.00	20,000
	Less: Transaction costs arising on share issues	-		(3,260)
	Balance June 30 2013	123,019,392		10,996,771
	Less: Transaction costs arising on share issues	-		(27,609)
	Balance June 30 2014	123,019,392		10,969,162

(i) Shares issued in payment of Share Issue Costs and included as Prepaid Share Issue Costs (Note 7)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

(c) Movement in Options:

	Details	No. Of Options	Issue Price Cents / Share	Value $
	Balance June 30 2012	1,500,000		32,500
	Transfer to Accumulated Losses on Expiry of Options	(500,000)		(20,000)
01/05/13	Incentive Options Issued (ii)	4,000,000	1.0	40,000)
	Balance June 30 2013	5,000,000		52,500
	Expiry of Options	(1,000,000)		(12,500)
	Balance June 30 2014	4,000,000		40,000

(ii) Issue of Incentive Options and included as prepaid Share Issue Costs (Note 7). Options exercisable at 6 cents on or before 30 April 2016.

(d) Voting and dividend rights

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.
At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

NOTE 12 - RESERVES AND ACCUMULATED LOSSES

	Consolidated Entity	
	2014 $	**2013 $**
Share Option Reserve (a)	40,000	52,500
Accumulated Losses (b)	(5,708,743)	(5,390,398)
(a) Share Option Reserve		
Balance at beginning of the year	52,500	32,500
Transfer to Accumulated Losses on Expiry of Options	(12,500)	(20,000)
Issue of Options (ii)	-	40,000
Balance at end of the year	40,000	52,500

(i) Nature and purpose of reserve
The Share Option Reserve contains amounts received on the issue of options over unissued capital of the company

(ii) The issue of options during the year at no consideration was valued at 1.0 cent (1 May 2013) per option using the Black-Scholes model with the following assumptions:

1. The underlying value of each share in the company was the closing share price of 2.5 cents as at 1 May 2013.
2. Risk free rate of return – 5.00%;
3. A volatility of the share price of 1.25%;
4. The Incentive Options issued are exercisable at 6 cents per share on or before 30 April 2016;
5. The appropriate discount factor to be applied to the value of each of the options due to the lack of marketability would be 30%.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

(b) Accumulated Losses

	Consolidated Entity	
	2014	**2013**
	$	**$**
Balance at beginning of the year	(5,390,398)	(5,436,526)
Net Profit / (Loss) for the year	(330,843)	26,128
Transfer to Accumulated Losses on Expiry of Options	12,500	20,000
Balance at end of the year	(5,708,741)	(5,390,398)

NOTE 13 - COMMITMENTS FOR EXPENDITURE

Mineral Tenement Leases

In order to maintain current rights of tenure to mining tenements, the consolidated entity will be required to outlay amounts of $6,659,185 (2013: $6,540,405) in respect of minimum tenement expenditure requirements and lease rentals. The obligations are not provided for in the financial report and are payable as follows

Not later than one year	1,331,837	1,308,081
Later than 1 year but not later than 2 years	1,331,837	1,308,081
Later than 2 years but not later than 5 years	3,995,511	3,924,243
	6,659,185	6,540,405

The Company has a number of avenues available to continue the funding of its current exploration program and as and when decisions are made, the Company will disclose this information to shareholders.
The commitments referred to above represent the Company's share of obligations under joint venture agreements without allowing for dilution.

NOTE 14 - CONTINGENT LIABILITIES

Athena Resources Limited and its controlled entities have no known material contingent liabilities as at 30 June 2014

NOTE 15 - INVESTMENT IN CONTROLLED ENTITIES

	Class of Shares		Book Value of Athena's Investments	
			2014	**2013**
			$	**$**
Athena Resources Limited - Parent Entity	Ordinary	100%	-	-
Complex Exploration Pty Ltd	Ordinary	100%	100	100
Capricorn Resources Pty Ltd	Ordinary	100%	200	200
Byro Exploration Pty Ltd (c)	Ordinary	100%	1,390,000	1,390,000
			1,390,300	1,390,300

(a) The above controlled entities are incorporated in Australia.
(b) The book value of Athena Resources Limited's investment in the ordinary shares of controlled entities, is at cost which does not exceed the underlying net assets of the entity.
(c) Wholly owned subsidiary of Complex Exploration Pty Ltd.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 16 - SEGMENT INFORMATION

During the year the Group operated principally in one business segment being mineral exploration within Australia

NOTE 17 - NOTES TO THE STATEMENT OF CASH FLOWS

	Consolidated Entity	
	2014	2013
Reconciliation of (loss) / profit after income tax to net operating cash flows	$	$
(Loss) / Profit from ordinary activities	(330,843)	26,128
Depreciation	13,535	12,656
Value of Incentive Options Issued	-	-
Write off of Mineral Exploration	762	-
Loss on Sale of Mining Tenements	-	97,554
Movement in assets and liabilities		
Receivables	14,300	(41,054)
Payables	371,614	298,980
Net cash used in operating activities	69,368	394,264

NOTE 18 - KEY MANAGEMENT PERSONNEL

(a) Directors

The names and positions of Directors in office at any time during the financial year are:

David Arthur Webster	Chairman
Edmond William Edwards	Managing Director
Rajakumar Paul Kandiah	Non Executive Director

(b) Remuneration Polices

Remuneration policies are disclosed in the Remuneration Report which is contained in the Directors' Report.

(c) The total remuneration paid to Directors is summarised below:

Short-term employee benefits	276,000	282,000
Post-employment benefits	-	-
Other-long term benefits	-	-
Other – based payments	-	-
	276,000	282,000

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

d) Aggregate amounts payable to Directors and their personally related entities

	Consolidated Entity	
Current	2014 $	2013 $
Accounts payable	491,484	286,884
Borrowings from Related Parties	346,000	66,000
	837,484	352,884

NOTE 19 - RELATED PARTY INFORMATION

Transactions within the Consolidated Entity

Aggregate amount receivable within the consolidated entities at balance date

Non-current receivables – Controlled Entities	7,740,837	7,280,800
Less : Provision for non recovery	(1,554,985)	(1,554,985)
	6,185,852	5,725,815

All loans to related parties and controlled entities are interest free and repayable on demand.

During the year, loans of $280,000 were extended to the Company by Directors, Mr Edwards, ($180,000) and Mr Webster ($100,000) for the purposes of supporting short-term cash flow. The loans are unsecured. The maximum amount outstanding during the period was $346,000. The balance of the loans outstanding at 30 June 2014 of $346,000 is interest free. The loans were converted to equity on 26 September 2014 (see Note 23).

NOTE 20 - REMUNERATION OF AUDITORS

Amount received, or due and receivable, by the auditors for: Auditing and reviewing of the financial statements of Athena Resources Limited and of its controlled entities	23,245	21,850
	23,245	21,850

NOTE 21 - (LOSS) / PROFIT PER SHARE

	Number of Shares	
	2014	2013
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic loss per share	123,019,392	122,602,954
(Loss) / Profit used in the calculation of loss per share in $	(330,843)	26,128

NOTE 22 - FINANCIAL RISK MANAGEMENT

(a) Financial Risk Management Policies

The consolidated entity's financial instruments consist mainly of deposits with banks, accounts receivable and accounts payable.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

The board's overall risk management strategy seeks to assist the group in meeting its financial targets, whilst minimising potential adverse effects on financial performance. The group has developed a framework for a risk management policy and internal compliance and control systems that covers the organisational, financial and operational aspects of the consolidated entity's affairs. The Chairman is responsible for ensuring the maintenance of, and compliance with, appropriate systems.

(i) Financial Risk Exposures and Management

The main risks the group is exposed to through its financial instruments are interest rate risk and liquidity risk.

Interest Rate Risk

The consolidated entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of change in the market, interest rate and the effective weighted average interest rate on these financial assets, is as follows:

	Non-Interest Bearing $		Weighted Average Effective Interest Rate %		Floating Interest Rate $	
	2014	2013	2014	2013	2014	2013
Financial Assets						
Cash at bank	-	-	2.01	1.22	78,869	259,458
Trade debtors	23,151	38,206			-	-
Total Financial Assets	23,151	38,206			78,869	259,458
Financial Liabilities						
- Payable and accruals	162,084	118,559			-	-
- Amounts payable related parties	837,484	352,884			-	-
Total Financial Liabilities	999,568	471,443			-	-

Liquidity Risk

The consolidated entity manages liquidity risk by monitoring forecast cash flows.

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date, is the carrying amount net of any allowance for doubtful debts, as disclosed in the statement of financial position and notes to the financial statement.

In the case of cash deposited, credit risk is minimised by depositing with recognised financial intermediaries such as banks, subject to Australian Prudential Regulation Authority supervision.

The consolidated entity does not have any material risk exposure to any single debtor or group of debtors under financial instruments entered into by it.

Capital Management Risk

Management controls the capital of the consolidated entity in order to maximise the return to shareholders and ensure that the consolidated entity can fund its operations and continue as a going concern.

Management effectively manages the consolidated entity's capital by assessing the consolidated entity's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of expenditure and debt levels and share and option issues. There have been no changes in the strategy adopted by management to control capital of the consolidated entity since the prior year.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

(b) Financial Instruments

Net Fair Values

For financial assets and liabilities, the net fair value approximates their carrying value. The consolidated entity has no financial assets or liabilities that are readily traded on organised markets at balance date and has no financial assets where the carrying amount exceeds net fair values at balance date.
The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to and forming part of the financial statements.

Interest Rate Sensitivity Analysis

The consolidated entity has performed a sensitivity analysis relating to its exposure to interest rate risk. This sensitivity analysis demonstrates the effect on the current year results and equity which could result in a change in these risks.
At 30 June 2014 the effect on the loss and equity as a result of a 2% change in the interest rate with all other variables remaining constant is as follows:

	2014	2013
	$	$
Change in Loss		
Increase in interest by 2%	1,803	4,390
Decrease in interest by 2%	(1,803)	(4,390)
Change in equity		
Increase in interest by 2%	1,803	4,390
Decrease in interest by 2%	(1,803)	(4,390)

NOTE 23 - EVENTS AFTER THE REPORTING PERIOD

On 5 August 2014 the Company announced a placement had been completed raising $402,000 by the issue of 13,400,000 shares at 3 cents per share. A further placement was announced on 12 September 2014 raising $45,000 by the issue of 1,500,000 shares at 3 cents per share. In addition a Share Purchase Plan (SPP) was announced to raise up to $1,200,000 by the issue of shares to existing shareholders at 3.1 cents per share. The SPP closed on 24 September and raised $256,000. Further the Company announced that it would seek shareholder approval to the issue of a total of 20,000,000 shares at 3.1 cents per share in satisfaction of remuneration due and loans advanced by the directors totalling $620,000. Shareholders approved the resolution on 25 September and the shares were issued on 26 September 2014.

NOTE 24 - PARENT ENTITY DISCLOSURES

	2014	2013
Financial Position	$	$
CURRENT ASSETS		
Cash and cash equivalents	78,069	258,658
Trade and other receivables	23,151	38,206
Prepayments	-	81,185
Total Current Assets	101,220	378,049

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
Financial Position	**$**	**$**
NON CURRENT ASSETS		
Plant and equipment	12,619	26,154
Investment in subsidiaries	300	300
Mineral exploration and evaluation	-	-
Loans to subsidiaries (i)	6,185,852	5,270,010
Total Non Current assets	6,198,771	5,296,534
TOTAL ASSETS	6,299,991	5,674,583
CURRENT LIABILITIES		
Trade and other payables	999,570	471,445
Total Current Liabilities	999,570	471,445
TOTAL LIABILITIES	999,570	471,445
NET ASSETS	5,300,421	5,203,138
EQUITY		
Issued capital	10,969,162	10,996,771
Share Option Reserve	40,000	52,500
Accumulated losses	(5,708,741)	(5,846,133)
TOTAL EQUITY	5,300,421	5,203,138
Financial Performance		
Profit (Loss) for the year	(330,843)	26,128
Other comprehensive income	-	-
Total comprehensive income	(330,843)	26,128
Accumulated losses prior year	(5,846,133)	(5,892,261)
Transfer to Reserve on expiry of options	12,500	20,000
	(5,708,741)	(5,846,133)

The parent entity has not entered into any guarantees in relation to debts of its subsidiaries, has no contingent liabilities, and has no commitments for acquisition of property, plant and equipment.
(i) The ultimate recovery of the loans to the subsidiaries is dependent on the successful development and/or commercial exploitation or sale of the subsidiaries' exploration assets.

DIRECTORS' DECLARATION

1. In the opinion of the directors of Athena Resources Limited (the 'Company'):

   a. the accompanying financial statements and notes are in accordance with the Corporations Act 2001 including:

      i. giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year then ended; and

      ii. complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.

   b. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

   c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2014.

E W Edwards
Managing Director

Date at Perth this 30 September 2014

INDEPENDENT AUDITOR'S REPORT

HLB Mann Judd

Accountants | Business and Financial Advisers

INDEPENDENT AUDITOR'S REPORT

To the members of Athena Resources Limited

Report on the Financial Report

We have audited the accompanying financial report of Athena Resources Limited ("the company"), which comprises the consolidated statement of financial position as at 30 June 2014, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for the consolidated entity. The consolidated entity comprises the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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INDEPENDENT AUDITOR'S REPORT(Continued)

HLB Mann Judd

Accountants | Business and Financial Advisers

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

(a) the financial report of Athena Resources Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Emphasis of matter

Without modifying our opinion, we draw attention to Note 1 in the financial report, which indicates that the Board recognises that additional funding is required to ensure that it can continue to fund its operations and further develop its mineral exploration and evaluation assets during the twelve month period from the date of approval of this financial report. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2014. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion the remuneration report of Athena Resources Limited for the year ended 30 June 2014 complies with section 300A of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
30 September 2014

M R W Ohm
Partner

SHAREHOLDER DETAILS

FOR THE YEAR ENDED 30 JUNE 2014

ANALYSIS OF SHAREHOLDING – 26 September 2014	SHARES
1 – 1,000	19
1,001 – 5,000	52
5,001 – 10,000	83
10,001 – 100,000	312
100,001 – or more	155
	621
Total on issue	166,177,455
Shareholders holding less than marketable parcel	211

Voting Rights

Article 16 of the Constitution specifies that on a show of hands every member present in person, by attorney or by proxy shall have:

(a) for every fully paid share held by him one vote

(b) for every share which is not fully paid a fraction of the vote equal to the amount paid up on the share over the nominal value of the shares.

Substantial Shareholders

The following substantial shareholders have notified the Company in accordance with Corporations Act 2001.

Edmond William Edwards	30,344,177	18.26%
David Arthur Webster	9,891,798	5.95%

Directors' Shareholding

Interest of each director in the share capital of the Company is detailed in the Remuneration Report.

SHAREHOLDER DETAILS (Continued)

TOP TWENTY SHAREHOLDERS 26 September 2014			
NAME AND ADDRESS	**SHARES**	**%**	**RANK**
Tied Nominees Pty Ltd (T P Edwards Superfund A/c)	17,712,806	10.66	1
Tied Nominees Pty Ltd (E Edwards Family Trust)	12,587,371	7.51	2
Ishine International Resources Limited	8,300,000	4.99	3
Kelanco Pty Ltd	8,261,721	4.97	4
Cobpen Co Investments Pty Ltd	8,077,301	4.86	5
Mr Andrew Peter Thomson	4,432,500	2.67	6
Julia Edwards Superannuation Pty Ltd	4,020,000	2.42	7
Corridor Nominees Pty Ltd	3,803,375	2.29	8
Mr Peter John Newcomb	3,710,250	2.23	9
Mr Terence Weston	3,661,000	2.20	10
Lightwave Investments (WA) Pty Ltd	3,322,581	2.00	11
Befavo Pty Ltd (H G Shore Super Fund)	2,504,409	1.51	12
Mr James Gregory Puklowski	2,183,225	1.31	13
Mr Andrew Peter Puklowski	2,019,471	1.22	14
B C & K D Kelly	1,973,047	1.19	15
Mr Liam Kelly	1,954,889	1.18	16
Rasco Holdings Pty Ltd	1,925,972	1.16	17
Tandem Technical Consultants Pty Ltd	1,850,000	1.11	18
Mr J M Burrell & Ms J M Burrell (Burrell Family Super)	1,666,667	1.00	19
Symbios Pty Ltd	1,650,000	0.99	20
TOP 20 TOTAL	**67,685,703**	**57.54**	

INTEREST IN MINING TENEMENTS

AS AT JUNE 30 2014

INTEREST IN MINING TENEMENTS
Byro
E09/1507
E09/1508
E09/1552
E09/1637
E09/1638
E09/1656
E09/1657
E09/1781
E09/1938
LA09/30
LA09/37
LA09/38

E – Exploration License

L – Miscellaneous Water Search Licence Application

Athena
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