Strategic Joint Venture to Accelerate Byro Magnetite Development

Partnering with Terra Mining and Fenix Resources to Fast-Track Potential Production of Premium Magnetite Concentrate

Highlights

- **Non-Binding Joint Venture terms agreed** with Terra Mining (part of JCHX Mining, Shanghai-listed, ~47.5 billion RMB market cap) and Fenix Resources (ASX: FEX, Athena's largest shareholder at 37.1%) to establish a joint venture to explore, develop and produce premium magnetite concentrate at the Narryer Prospect
- **Athena retains 40% profit share** (Terra Mining 30%, Fenix 30%) with all major mining, processing, and logistics capital provided by JV partners
- **JV parties expertise** Terra Mining provides all mining equipment, crushing, processing infrastructure, and site management. Fenix provides haulage and port services through its established Mid-West network and 5+ Mtpa Geraldton Port capacity
- **Targeting Q1 2028 start-up** subject to completion of studies, approvals, and binding agreements
- **Proven technology** Terra Mining operates Australia's only full dry-processing magnetite mine at Extension Hill, delivering lower costs, faster commissioning, and low environmental footprint
- **Narryer is Athena's** closest Byro prospect to road and port infrastructure, approximately 336 km from Geraldton Port
- **Springboard for the broader Byro Project** Production at Narryer de-risks future development of Byro South and FE1 and generates operational learnings
- **Fenix to manage product marketing** with Terra retaining a right to match price on any shipment
- **Subject to approvals** Athena shareholder approval, Terra Mining and Fenix board approvals, and execution of binding JV, logistics, and right-to-mine agreements

Athena Resources Limited (**ASX: AHN**) ("**Athena**" or "**the Company**") is pleased to announce it has signed a non-binding term sheet to form a Joint Venture (**JV**) with Terra Mining Pty Ltd ("**Terra Mining**") and Fenix Resources Ltd ("**Fenix**") which has the potential to accelerate the development and production of premium magnetite concentrate at the Narryer Prospect, part of Athena's flagship Byro Magnetite Project in Western Australia's Mid-West region.[1]

The JV brings together three companies with complementary strengths: Athena's high-quality magnetite resource and development expertise, Terra Mining's proven dry-processing magnetite mining capability, and Fenix's fully integrated pit-to-port logistics network. Together, this partnership has the potential to provide an accelerated pathway to production that aligns with Athena's strategy of delivering premium magnetite solutions for growing global markets, including green steel, energy storage, and specialty industrial applications.

1 Please note that the above comments comprise aspirational statements and are not intended to be forecasts, as the Company does not yet have reasonable grounds to expect that those matters will be achieved.

Athena's Managing Director & CEO, Mr Peter Jones, commented:

"This Joint Venture represents a transformative moment for Athena. By combining our high-quality magnetite resource with Terra Mining's proven dry-processing capability and Fenix's established logistics network, we have assembled a partnership that can take Narryer from prospect to potential production with major mining, processing, and logistics capital provided by Athena's JV partners.

What makes this JV compelling is the quality of our partners. Terra Mining brings the only operational dry-processing magnetite system in Australia, backed by the financial strength of the JCHX Mining group. Fenix brings a fully integrated supply chain from mine to port that has been refined through years of Mid-West operations. Together, they provide the operational backbone that allows Athena to focus on what we do best: developing our exceptional magnetite resource.

Narryer is the springboard for the broader Byro Project. With 76.3 Mt of existing Mineral Resource at Byro South and FE1, and demonstrated concentrate samples of quality above 70% Fe, we are building a platform to supply premium magnetite into some of the world's most important growth markets, from green steel to battery technology. This JV is the first step in making that vision a reality."

Joint Venture Structure and Terms

The parties have signed a non-binding term sheet to enter into a joint venture and have agreed to negotiate and execute binding agreements to document the transaction, including a Joint Venture Agreement, a Right-to-Mine Agreement, and a Logistics Agreement. The key terms are summarised below.

Athena will need to obtain shareholder approval pursuant to Listing Rule 10.1 prior to entering into the joint venture. Athena will prepare a notice of meeting and commission an independent expert to prepare an independent expert report in due course to opine on whether the transaction is fair and reasonable to non-associated shareholders.

Profit Share (net profit before tax):

Party	Share
Athena Resources	40%
Terra Mining	30%
Fenix Resources	30%

Party Obligations:

Party	Role	Key Obligations
Athena Resources	Resource Owner and Developer	Retains ownership of the Narryer tenement (Mining Lease M09/168). Responsible for all exploration, resource definition, heritage and regulatory approvals, and mine feasibility activities to bring the project to a final investment decision.
Terra Mining	Mining and Processing Operator	Granted an exclusive Right-to-Mine over the Narryer Prospect for a period of ten years. Responsible for all site establishment, mining equipment, crushing equipment, processing infrastructure, mining services, and operational management to produce a high-quality magnetite concentrate product. Receives a fixed per-tonne payment for mining and processing services in addition to its JV profit share.
Fenix Resources	Logistics and Marketing	Provides haulage, logistics, and port services from mine gate to Geraldton Port. Manages product marketing on behalf of the JV, with Terra Mining retaining a right to match the price on any shipment. Receives a fixed per-tonne rate for logistics on product shipped from Geraldton in addition to its JV profit share.

Shared Costs: All other JV costs, including administration, shipping, and royalties, are borne by the parties in their respective profit-share proportions.

Conditions Precedent:

- Athena shareholder approval;
- Terra Mining board approval;
- Fenix Resources board approval; and
- Execution of binding JV Agreement, Right-to-Mine Agreement, and Logistics Agreement.

Strategic Significance[2]

This JV represents a defining step in Athena's evolution from explorer to producer of premium magnetite solutions.

From Exploration to Revenue Generation. The Narryer Prospect has proximity to existing road infrastructure and its location approximately 336 km from Geraldton Port. By partnering with operators who already have the equipment, expertise, and infrastructure in place, the JV creates a realistic and efficient pathway to potential first production

Springboard for the Broader Byro Project. Operational learnings from Narryer are expected to underpin the future potential development of Athena's larger Byro South and FE1 deposits, which together comprise an existing Mineral Resource of approximately 76.3 Mt (Indicated 24.0Mt : Inferred 52.3 Mt). Demonstrating successful production at Narryer de-risks the broader project and positions Athena to attract further investment and partnerships for its next phase of growth.

Aligned with the Green Steel Transition. The Byro Magnetite Project has demonstrated the ability to produce ultra-high-quality magnetite concentrate samples of grading above 70% Fe (refer ASX Announcement 22 August 2025), positioning it as a potential supplier of DR-grade feedstock for the global green steel industry. The JV's use of Terra Mining's dry-processing technology further enhances the sustainability credentials of this production pathway by eliminating the need for large-scale water usage and wet tailings, reducing both environmental impact and operating costs.

Leveraging Western Australia's Green Industrial Corridor. This JV aligns with Western Australian government initiatives that encourage value-added mineral processing and the state's emerging green steel roadmap. By developing a premium magnetite product within the Mid-West region and exporting through Geraldton, the JV contributes to the state's economic diversification goals and positions Athena within the growing ecosystem of critical materials suppliers.

Terra Mining's Dry Processing Advantage

Terra Mining's cutting-edge dry magnetic separation system, successfully implemented at the Extension Hill Mine, provides a number of distinct advantages for the Narryer JV:

- **Reduced capital and operating costs** by eliminating the need for water provision, water approvals, and associated infrastructure;
- **Faster construction and commissioning** of dry magnetic separators compared to conventional wet processing plants;
- **Significantly greater energy efficiency** than wet processing methods; and
- **Elimination of wet tailings**, avoiding a substantial environmental footprint and reducing long-term rehabilitation liabilities.

[2] Please note that the above comments comprise aspirational statements and are not intended to be forecasts, as the Company does not yet have reasonable grounds to expect that those matters will be achieved.

This technology is particularly well-suited to Athena's magnetite, which has demonstrated strong magnetic separation characteristics through previous metallurgical test work.

Fenix's Integrated Logistics Network

Fenix's logistics capabilities provide the JV with a proven, scalable, and cost-efficient supply chain:

- **Dedicated haulage fleet** purpose-built for long-distance Mid-West ore transport;
- **Established road haulage network** servicing multiple mines across the Mid-West region;
- **Cost advantages** through fleet ownership rather than contractor dependence; and
- **Geraldton Port capacity** exceeding 5 Mtpa of ship-loading with over 400,000 tonnes of on-port storage.

This infrastructure has been built over years of operations and would be prohibitively expensive and time-consuming for a junior company to replicate independently.

Narryer Prospect Overview

The Narryer deposit is one of five prospects within Athena's Byro Magnetite Project, located within Mining Lease M09/168 on the Mt Narryer Pastoral Station. At approximately 336 km from Geraldton Port, it is the closest of Athena's prospects to road and port infrastructure.

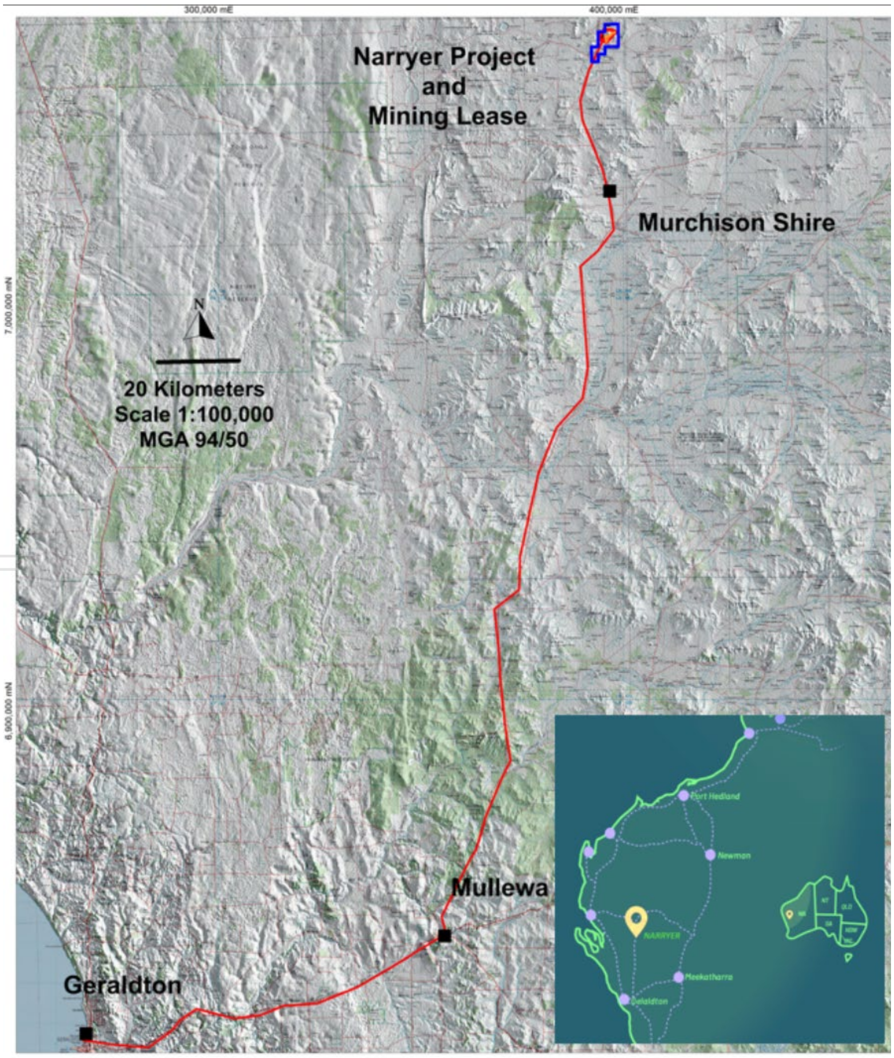

Figure 1:
Narryer Tenement location

Key attributes of Narryer include:

- High-quality magnetite mineralisation confirmed through previous exploration and metallurgical testing;
- Existing Heritage Agreement in place with Traditional Owners;
- Proximity to established Mid-West infrastructure and transport corridors;
- Simple metallurgical characteristics suited to dry magnetic separation; and
- Located within a well-established mining and pastoral region.

These attributes, combined with the expertise and infrastructure of the JV partners, have the potential to significantly reduce the risk and capital requirements associated with mine development.

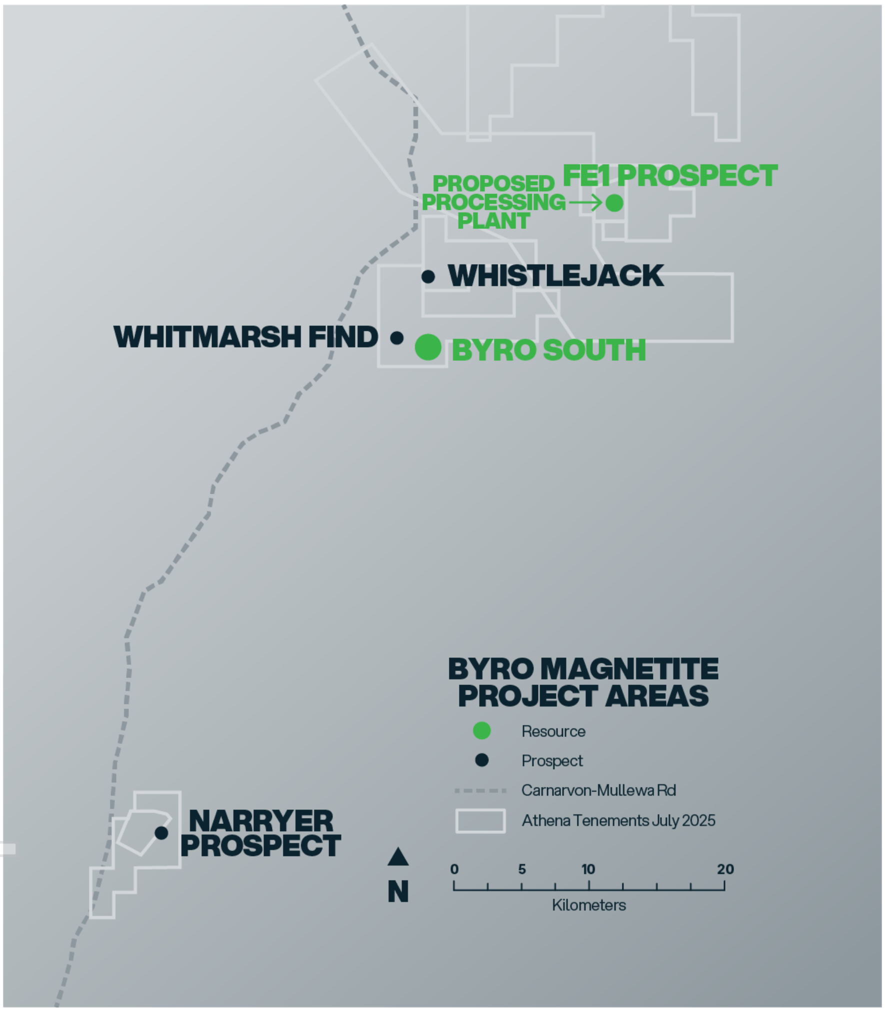

Figure 2:
Byro Magnetite Project

This announcement has been authorised for release by the Board of Athena Resources Limited.

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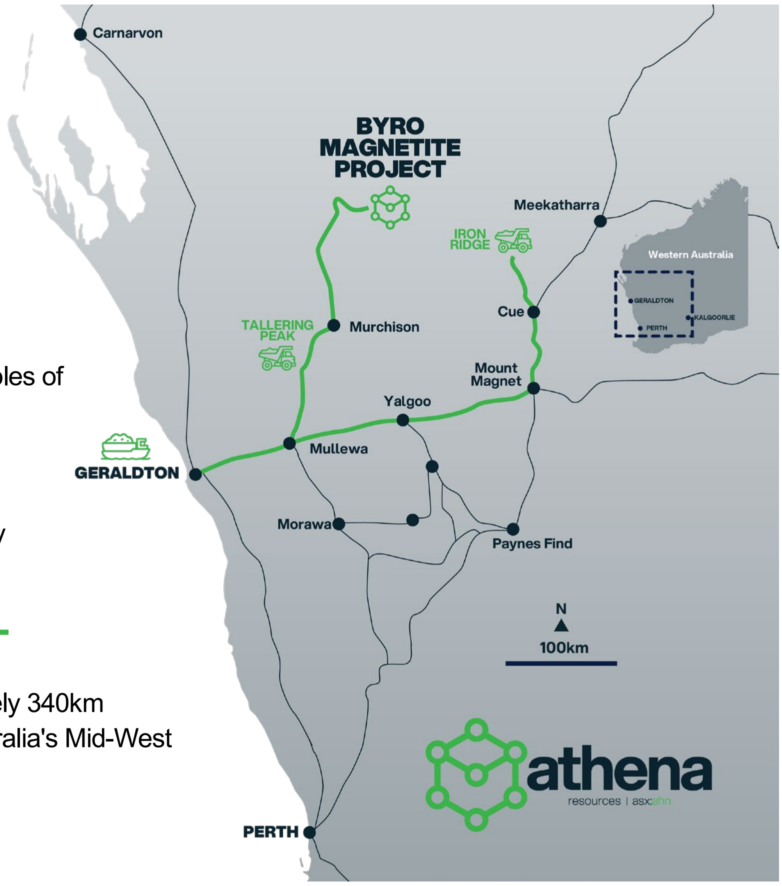

Athena Resources (**ASX: AHN**) is developing premium magnetite solutions for advanced manufacturing and specialty steel markets.

The Company's flagship Byro Magnetite Project in Western Australia has produced concentrate samples of exceptional quality at 70%+ Fe concentrate.

Through technical excellence and strategic market positioning, Athena is seeking to build a resilient, multi-industry minerals business focused on quality and innovation.

BYRO MAGNETITE PROJECT

The Byro Magnetite Project is located approximately 340km northeast of the Port of Geraldton in Western Australia's Mid-West region. The project comprises the FE1, Byro

South and Narryer prospects.

Mineral Resource Estimate:

The Mineral Resource Estimate of Byro Magnetite Project (FE1 and Byro South) is currently as follows:

Classification	Mass	Grade Fe	DTR
Unit	Mt	%	% mass
Indicated	24.0	25.1	33.4
Inferred	52.3	26.6	32.0
Total	76.3	26.1	32.5

Note:

- FE1 Mineral Resource is at 20% cut-off, refer to ASX announcement 17 January 2023 ('Mineral Resource Estimate – Byro FE1 Magnetite Project').
- Byro South Mineral Resource is at 22% cut-off.

CAUTIONARY NOTES AND DISCLOSURES

Forward Looking Statements

This announcement may include forward-looking statements. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions may be forward-looking statements. Although Athena Resources Ltd (ASX: "AHN") believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.

Competent Person Statement – Geology and Resource Estimation:

The information in this announcement that relates to the Mineral Resource Estimate for the FE1 magnetite deposit has been extracted from the Company's ASX announcement titled 'MRE – upgraded JORC classification and increased tonnes' released on 17 January 2023 and which is available at www.asx.com.au. The Competent Person for the FE1 Mineral Resource Estimate in that announcement was Mr Liam Kelly. Mr Kelly is a Member of the Australasian Institute of Mining and Metallurgy (# 306501). The Company confirms it is not aware of any new information or data that materially affects the Mineral Resource Estimate information set out in the original announcement and confirms that all material assumptions and technical parameters underpinning the Mineral Resource Estimate in the original announcement continue to apply and have not materially changed. The Company also confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the announcement.

The information in this announcement that relates to the Byro South Mineral Resource Estimate is based on, and fairly represents, information and supporting documentation compiled by the Competent Person Mr Jeremy Peters, FAusIMM CP (Min Geo), a full-time employee of Burnt Shirt. Mr Peters has sufficient relevant experience in the reporting of magnetite Mineral Resources, that is relevant to the style of mineralisation and type of deposit under consideration, to act as a Competent Person as defined by the JORC Code and consents to his nomination as such in this report. Mr Peters is a Fellow of the Australasian Institute of Mining and Metallurgy (Member ID 110311) and has more than five years' experience in the exploration for, estimation of and reporting of magnetite mineralisation and qualifies as a Competent Person as defined in the JORC Code. The Company confirms it is not aware of any new information or data that materially affects the Mineral Resource Estimate information set out in the original announcement and confirms that all material assumptions and technical parameters underpinning the Mineral Resource Estimate in the original announcement continue to apply and have not materially changed. The Company also confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the announcement.

Previously announced Metallurgical Results:

The information in this announcement that relates to previously announced metallurgical results has been extracted from the Company's ASX announcement titled 'Athena confirms Byro produces ultra high-quality iron ore concentrate product grading 70.55% iron' released on 22 August 2025 and which is available at www.asx.com.au.

The competent person for the metallurgical results in that announcement was Mr Terence Weston. The Company confirms it is not aware of any new information or data that materially affects the metallurgical results information set out in the original announcement and confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the announcement.

The information in this Announcement that relates to previous Exploration Results was prepared and first disclosed under the JORC Code 2012 and has properly and extensively cross-referenced immediately above, or in the text, to the date of the original announcement to the ASX.

Mineralisation Estimation Results:

Due to the uncertainty that may be attached to Inferred Mineral Resources, it cannot be assumed that all or any part of an Inferred Mineral Resource will be upgraded to an Indicated or Measured Mineral Resource as a result of continued exploration. Confidence in the estimate is insufficient to allow the meaningful application of technical and economic parameters or to enable an evaluation of economic viability worthy of public disclosure. Inferred Mineral Resources must be excluded from estimates forming the basis of Feasibility or other economic studies.

Mineral Resources which are not Ore Reserves do not have demonstrated economic viability. There is no certainty that all or part of the Mineral Resource will be converted into Ore Reserves. The estimate of Mineral Resources may be materially affected by the Modifying Factors.

The quantity and grade of Inferred Mineral Resources are uncertain in nature and there has been insufficient exploration to define these as an Indicated or Measured Mineral Resource and it is uncertain if further exploration will result in upgrading it to an Indicated or Measured Mineral Resource category.