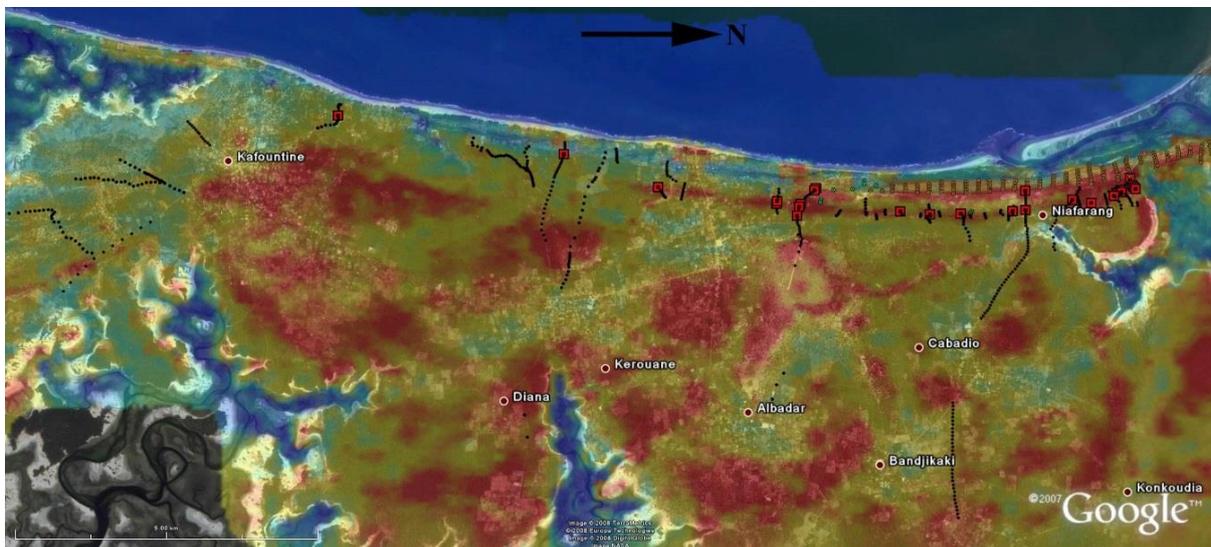


Astron Niararang Project Update

Astron is pleased to provide an update towards commencement of mining on its Niararang mine project in Southern Senegal.

The current situation is that delays in obtaining all necessary approvals have affected the expected project mine start-up, but now are complete and project start-up is expected as soon as the locally appointed Government Resettlement Committee implements the resettlement plan with the local land owners.

The project description is a high-grade coastal mineral sands deposit, to be extracted using simple dredge mining and gravity processing methodology. Stage 1 of the project is commencing the Niararang strike in low impact areas of an elevated dunal formation.



Approvals Granted

Currently, all necessary approvals have been received and Astron has commenced shipping equipment to the project site, as well as local procurement. It is now only awaiting landholder resettlement which has been approved so should progress shortly.

Mining licence granted in mid-2017, the mining licence is known as a Small Mining Licence (SML) which is a strategic step in showcasing Astron's commitment to the local people, regulators and protection agencies. With recent efforts, the ability to further explore and apply the local learnings will accelerate opportunities for Astron to expand its presence in Senegal.

Mine planning and feasibility continues, and will cover the following areas:

- Astron is planning to update its ore reserves to comply with JORC Code, 2012. This will include mine production grades as well as approximate zircon, rutile and ilmenite specifications.
- Mining equipment and output.
- Mine start-up date and first shipment of HM to China for processing.
- Final product sales process minerals are zircon, rutile, ilmenite.

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Environmental, social and other aspects

Astron has obtained environmental approvals for the project as part of the grant of the SML. While some concerns were raised regarding the environmental risks with this project (including marine erosion and sea level change), these matters were addressed as part of the environmental approval process and addressing these risks is an important part of the project plan.

Astron is aware of the social issues and risks surrounding the project, and the Casamance region. While this region has long been associated with the rebel forces known as the Mouvement des Forces Démocratiques du le Casamance (MFDC), on the whole violence connected to the MFDC has decreased since the ceasefire in 2014. Astron's planning process considers the risks of the project in this region, and endeavours to provide security and ways to address those risks.

Other social issues are being addressed through the planning and resettlement process, including Astron's opportunities to provide benefits to the local communities living on or near the Niafarang dunes (including fruit farming, wells, jobs and infrastructure).

Astron has had previous issues in the region which resulted in dispute with the government of The Gambia, resulting in the Gambian government revoking the licence and expropriating the company's mining assets. Arbitration proceedings were initiated against the Gambian government seeking recovery of damages under the authority of the International Centre for Settlement of Investment Disputes. The ICSID issued a judgement finding comprehensively in Astron/Carnegie's favour, including that The Gambia had no basis on which to cancel the mining licence, and ultimately awarded Astron about \$31 million.

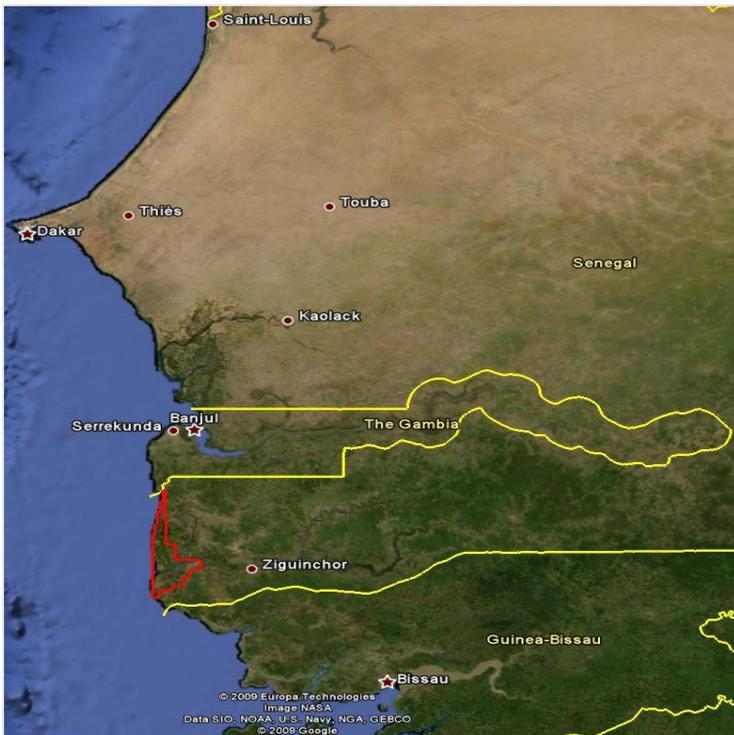
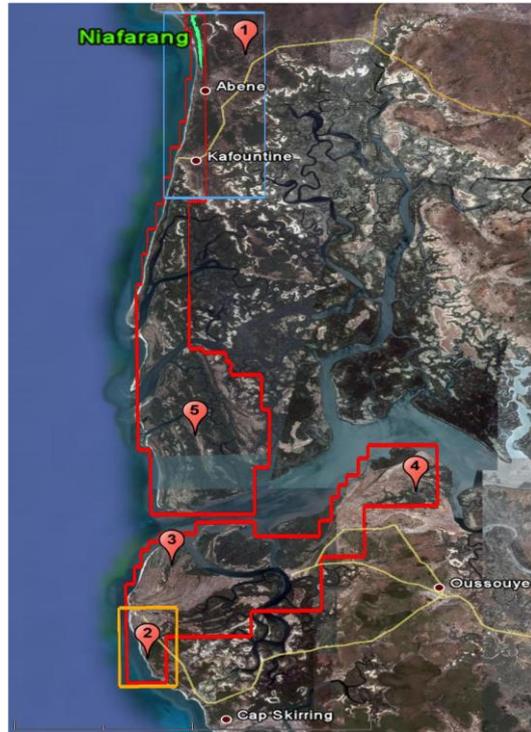
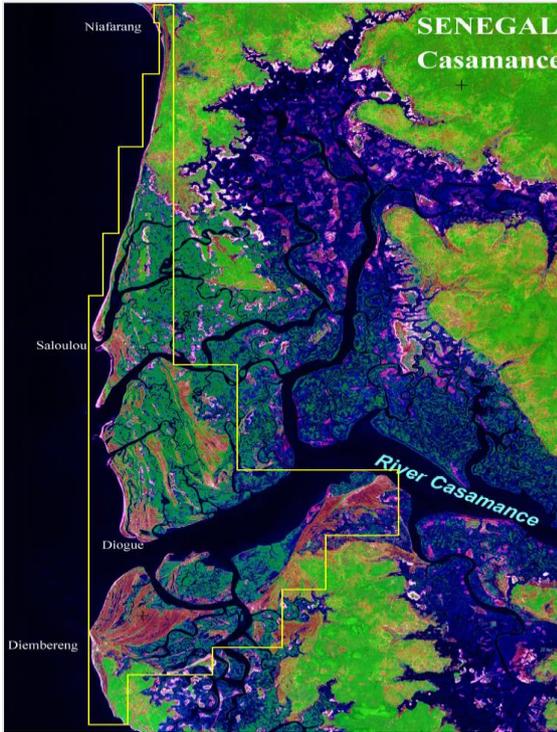
In working on the project plan, Astron has observed that the Senegalese approval process is based on very much a Western-style approach, where risk minimisation, mitigation and addressing all environmental concerns is of paramountcy.

Astron's Long Term Future in West Africa

The future for Astron's Senegal project includes consideration for further exploration and potential expenditure.

Astron has several large areas identified for future exploration within the local region of Casamance, Senegal. The exploration areas will be determined through a detailed assessment to ensure low environmental sensitive areas are prioritised.

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For more information,
Contact
Kang Rong, Executive Director
kangrong@astron.com.cn
Joshua Theunissen, Australian Company Secretary
joshua.theunissen@astronlimited.com

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CAUTIONARY STATEMENT

Certain sections of this report contain forward-looking statements that are subject to risk factors associated with, among others, the economic and business circumstances occurring from time to time in the countries and sectors in which the Astron Group operates. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a wide range of variables which could cause results to differ materially from those currently projected.

About Astron

Astron has commenced the rebuilding of its Advanced Materials & Manufacturing base in China. Building onto its 25-year record as an advanced supplier of advanced materials, Astron will develop its own major zircon, titanium and rare earth feed stock supplies from its Niafarang and Donald projects.

The Donald project is one of the largest known zircon and titanium resources in the world. The project has significant potential for long term supply into global markets with its final products while creating sustainable growth and regional development in Victoria Australia.

The Niafarang project in Senegal, West Africa, is a high-grade coastal mineral sands deposit, to be exploited using simple dredge mining and processing methodology.

Astron continues to build on its unique 25-year track record in China as a Chinese-Australian company in developing, selling and marketing zirconium and titanium products.

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