



**ASTRON CORPORATION LIMITED**

**ARBN 154 924 553**

**Incorporated in Hong Kong, company number 1687414**

**Notice to the Australian Stock Exchange  
Production and Exploration Report  
Quarter Ended 30 June 2019**

**Donald Mineral Sands Pty Ltd (DMS) and Sovereign Gold NL (SG) (both 100% controlled by Astron Corporation Limited)**

*DMS owns MIN5532, RL2002 (formerly EL4433), RL2003 (formerly EL4432, and RL2003 now incorporates RL2006) and EL5186, which together comprise the Donald Mineral Sands Project (Donald Project).*

**Donald Project**

**PRODUCTION**

During the quarter the Donald Project did not conduct any production activities.

**DEVELOPMENT**

During the quarter, the development of the Donald continued with the following being undertaken:

***Piloting of DMS Project Ore Materials***

Astron has commenced piloting of the Donald Project Ore Materials, as announced on 8 July 2019. This has involved definitive trials of the DMS ore material in southern Queensland. Two separate engineering and metallurgical firms were engaged to conduct these works. Conventional and latest technology testing forms part of the 3 stage piloting program which commenced recently.

***Feasibility study***

DMS has completed the technical aspects of the optimisation of the feasibility study as previously announced and work continues on the capital aspects of the optimisation. Initial indications are that improvements from the updated technical aspects and the use of Chinese equipment will be positive. An updated feasibility study is anticipated to be completed shortly.

***Funding***

As announced on 3 July 2018, the date for satisfaction of the conditions precedent under the EPC (engineering, procurement and construction) contract between DMS and the China Machinery Engineering Corporation expired. Notwithstanding the fact the EPC contract is at an end, Astron continues to discuss the DMS Project with CMEC, and consider other options for funding and progressing the DMS Project.

## EXPENDITURE SUMMARY

**Total expenses incurred were:**

Production Activities	Jun Qtr 2019	YTD 2019 FY
	Nil	Nil
Development Activities	Jun Qtr 2019	YTD 2019 FY
	\$909,547	\$1,391,806

### Niafarang Project

*Astron owns licence issued under Order Number 09042/MIM/TMG*

### PRODUCTION

During the quarter the Niafarang Project did not conduct any production activities.

### DEVELOPMENT

#### **Mining licence and next stages**

As announced on 8 June 2017, the mining licence was issued. All aspects of the project are now being progressed to target commencement of activities in 2019. It is anticipated that the mine will be a surface mine with little or no overburden, meaning the mining method will be relatively straightforward with spiral separation.

## EXPENDITURE SUMMARY

**Total expenses incurred were:**

Production Activities	Jun Qtr 2019	YTD 2019 FY
	Nil	Nil
Development Activities	Jun Qtr 2019	YTD 2019 FY
	\$175,852	\$459,195

Note: the development activities expenditure includes procurement, design and consulting in anticipation of commencement of the Senegal project.

### Other business

Astron has commenced commissioning its China based TiO<sub>2</sub> processing plant, as announced on 16 May 2019. This plant has been constructed to process up to 150,000 tons per annum and is currently undergoing extended commissioning. The plant is anticipated to produce a number of different grade and particle size TiO<sub>2</sub> feed stocks. These products are sourced as TiO<sub>2</sub> chlorination feedstock either as a direct feed or agglomerated pellets in excess of 94-95% TiO<sub>2</sub> grade. This is being used in relation to the will low-grade TiO<sub>2</sub> feedstock that Astron has acquired.

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Astron has recently advanced its development and trials of micro-agglomerated TiO<sub>2</sub> materials and now focusses its efforts in delivering commercial scale production deliverables. This project also includes a new 10,000 m<sup>2</sup> warehouse and hardstand for storage of raw material, stocks and final products.

**For further information, please contact:**

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**31 July 2019**

**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.

**CAUTIONARY STATEMENT**

Certain sections of this document 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.