



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 31 December 2018

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 was formerly held by SG and has now been transferred to DMS), 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:

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	Dec Qtr 2018	YTD 2018 FY
	Nil	Nil
Development Activities	Dec Qtr 2018	YTD 2018 FY
	\$131,872	\$237,844

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	Dec Qtr 2018	YTD 2018 FY
	Nil	Nil
Development Activities	Dec Qtr 2018	YTD 2018 FY
	\$142,611	\$247,525

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

Other business

Astron has now acquired about 55,000 tons of low-grade TiO₂ feedstock. Astron is working on commissioning the processing plant for processing this feedstock.

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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.