

UPDATE ON GENERAL MEETING

Astro Resources NL is an Australian-based mineral resources company focused on the commercial development and production of economically and environmentally sustainable mineral sands deposits, diamonds, gold and other minerals.

Astro Resources NL (**ARO** or the **Company**) provides the following updates on its forthcoming shareholder meetings:

General Meeting - update on agenda item - conversion of the outstanding amount for the loan from Gun Capital Management Pty Ltd

As shareholders will be aware, a General Meeting will be held on Friday 30th October 2020 at 10.30am. The Company notes that contained in the Notice of Meeting dated 21 September 2020 (**NoM**) is Resolution 5 which deals with the conversion of the remaining loan amount for \$630,772 from Gun Capital Management Pty Ltd (**GCM**). The remaining loan is proposed to be converted into 180.2 million fully paid ordinary shares at a deemed price of \$0.0035 cents per share.

The above amount does not include interest of approximately \$18,000 payable on that loan for the period from 15 September to 30 October 2020 that was to be paid in cash.

The Company advises that during the process of finalising the 2020 Annual Report, it become aware that the full amount owing on the loan from Gun Capital Management Pty Ltd (**GCM**) was miscalculated and as a result, the loan balance did not include accrued interest of \$55,393. Accordingly, the outstanding loan balance should have been \$686,165 and not \$630,772, as shown in the Notice of Meeting.

The Company advises that it has included in the agenda in its Notice of Annual General Meeting (**NoMA**) an item for the approval of the above amount of interest of \$55,393, plus the additional interest of \$18,000 which was to be paid in cash (total amount of interest is \$73,393) which is to be converted into fully ordinary shares of the Company at the deemed price of \$0.0035 per share.

In addition, the Company has agreed with Mining Investments Limited (**MIL**) (a company which is related to GCM) for the provision of corporate services outstanding fees up to 30 June 2020 of \$27,000 also be converted into shares in the Company at the deemed price of \$0.0035 per share.

Based on the above, the total number of additional shares to be issued to GCM and/or MIL is to be 28,683,714 fully paid ordinary shares in the Company.

On the basis that the above resolutions in the NoMA and the NoM are approved, GCM and its related entities shareholding in the Company would be approximately 19.6%.

The rationale for converting the above outstanding interest liability and amount owing to MIL into shares in the Company is to conserve cash to support the Company's exploration activities.

Full details of the proposed issue of the shares will be included in the Notice of Meeting of the Annual General Meeting. However, the Company requests that when considering their voting for Resolution 5 of the General Meeting that they take into condition the proposed additional of shares detailed in the proceeding paragraphs.

Annual General Meeting Date

The date of the Annual General Meeting is to be Friday 27 November 2020. The Notice of Meeting is to be despatched 31 days prior to the above date.

Approval

This announcement has been approved by the Board.

ENDS

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