

3 March 2023

## ASTRO ADVANCES LITHIUM STRATEGY WITH KEY APPOINTMENTS AND EXPANSION OF HIGHLY PROSPECTIVE NEVADA LITHIUM PORTFOLIO

Appointment of highly respected lithium industry executives, together with a refined strategic focus and enhanced portfolio, positions Astro for growth

### Key Highlights

- Tony Leibowitz, founding Chairman of ASX-50 lithium producer Pilbara Minerals (ASX: PLS), appointed as Executive Chairman and highly experienced geologist John Young appointed as a Non-Executive Director, further strengthening and enhancing the Board's capability, particularly in its quest for lithium projects in Nevada.
- Mr Leibowitz's move to an executive role will see him take a hands-on approach to advancing Astro's lithium strategy, bringing a depth of expertise and strong track record of value creation in the junior and mid-tier Australian mining sector, particularly for lithium.
- The Company will focus on advancing its portfolio of lithium-in-clay projects in Nevada, USA, while also progressing its Georgina Basin IOCG Project in the Northern Territory and Governor Broome Mineral Sands Project in WA, where a resource upgrade and updated Scoping Study are planned.
- Two new lithium projects staked in Nevada's highly prospective Montezuma Valley area – the Polaris and Altair Projects.
- Both projects are proximal to outcropping tertiary sedimentary host rock units that are known to host claystone lithium deposits around Nevada, including Ioneer's (ASX: INR) Rhyolite Ridge Project and Lithium America's Thacker Pass deposit – the largest lithium deposit in North America.
- Planning for initial drill programs at Polaris and Altair well advanced.
- Company exploring potential Joint Venture for the East Kimberley Diamond Project, reflecting the Company's refined strategic focus.

Astro Resources NL (ASX: ARO) ("**ARO**", "**Astro**" or "**the Company**") is pleased to advise that it has significantly advanced its lithium growth strategy with the appointment of lithium industry veterans Tony Leibowitz as Executive Chairman and John Young as a non-executive Director, together with the acquisition of two highly prospective landholdings in Nevada, USA, the dominant lithium province in North America.

The additions to its existing lithium-in-clay portfolio in Nevada and the new appointments reflect the Company's refined strategic focus on attractive growth opportunities both in Australia and offshore.

## Appointment of Tony Leibowitz as Executive Chairman

The Astro Board is pleased to advise that highly experienced lithium industry executive Tony Leibowitz has accepted the role of Executive Chairman to help drive the Company's growth strategy, particularly in relation to its expanding lithium portfolio.

Mr Leibowitz, who was appointed Non-Executive Chairman of Astro in November 2022, is a Chartered Accountant and highly successful business executive. Amongst other positions, Mr Leibowitz was the founding Chairman of ASX-50 lithium producer Pilbara Minerals (ASX: PLS). With this background and experience, the Board is confident that Mr Leibowitz is exceptionally well placed to oversee the Company's exploration and growth strategy and deliver significant value creation for shareholders.

Commenting on his appointment, Mr Leibowitz said: *"I am tremendously excited to take on an executive role with Astro, with the Company holding a high-quality portfolio of exploration assets, including an expanding lithium landholding in North America's premier lithium district. I intend to take a hands-on role to progress the exploration and development of these assets to take advantage of the exceptionally strong long-term outlook for lithium and the other commodities within our portfolio."*

Mr Leibowitz will be supported by Matt Healy, General Manager of Exploration, and Vince Fayad, Executive Director.

The material terms of Mr Leibowitz remuneration package are:

- Base salary – \$300,000 per annum (inclusive of superannuation); and
- Incentives for the achievement of a successful capital raising.

## Appointment of John Young as Non-Executive Director

The Astro Resources Board is pleased is also pleased to advise that Mr John Young has agreed to join the board as a Non-Executive Director. Mr Young is a highly experienced geologist who has worked on exploration and production projects encompassing gold, uranium and specialty metals, including tungsten, molybdenum, tantalum and lithium.

Mr Young's previous corporate experience includes appointments as CEO of Marenica Energy Limited and CEO and Director of Thor Mining PLC.

Mr Young was Exploration Manager at Pilbara Minerals Limited (ASX: PLS) from June 2014 until August 2015, appointed as Technical Director in September 2015 and transitioned to Non-Executive Director in July 2017 until his resignation in April 2018. During his tenure at Pilbara Minerals, Mr Young played a significant role alongside fellow founding directors Tony Leibowitz and Neil Biddle in overseeing the Company's rapid growth from micro-cap explorer to leading lithium producer.

Mr Young was also a Director of Australian gold developer Bardoc Gold Limited (ASX: BDC) (formerly Spitfire Materials Limited) from June 2017 until its acquisition by St Barbara Limited in April 2022. During his tenure as Managing Director of Bardoc, he was instrumental in the mergers with Excelsior Gold Limited and Aphrodite Gold Limited to consolidate a large, high-quality gold resource inventory in the North Kalgoorlie district (the Bardoc Gold Project).

Mr Young is currently the Non-Executive Director of lithium explorers Trek Metals Ltd (ASX: TKM), Non-Executive Chairman of Green Technology Metals Limited (ASX: GT1) and rare earth-phosphate developer RareX Limited (ASX: REE).

Commenting on the appointment, Mr Leibowitz, said: *"We are pleased to announce John's appointment as a Non-Executive Director to oversee our proposed lithium programme in Nevada. John is a talented and highly experienced geologist who, together with Neil Biddle, helped implement the exploration strategy which saw the rapid growth of the Pilgangoora lithium-tantalum project to become one of the world's foremost hard rock lithium projects."*

*“We are looking forward to having John’s experience, energy and drive available to Astro as it advances its lithium exploration strategy in Nevada, where we see huge opportunities to make new discoveries and create significant shareholder value.”*

## **Focused Strategy**

The Company has a focused strategy of increasing its footprint in claystone-hosted lithium deposits in Nevada, together with progressing its Georgina Basin IOCG Project in the Northern Territory. In addition, the Company will continue to advance its Governor Broome Mineral Sands Project in WA by upgrading the remaining resource category from Inferred to Indicated and completing a Scoping Study.

The Company intends to refine its Australian portfolio in line with this strategic focus by entering into a joint venture arrangement for its East Kimberley diamond project.

## **Lithium Project – Staking of New Prospective Areas in Nevada**

Astro has expanded its lithium landholding in Nevada, the ‘lithium capital’ of North America. Nevada hosts a number of large claystone-hosted lithium deposits and is home to North America’s only lithium mining operation, Albermarle’s Silver Peak lithium brine operation.

The two new project areas secured by Astro, named the Polaris and Altair Projects, are located in the southern extent of the Montezuma Valley, south-west of the township of Tonopah, accessed via the Veteran’s Memorial Highway. The projects were staked following a systematic review of regional open file data, such as mapped geology, topography, stream sediment geochemistry, land administration and an assessment of suitable claim-free areas.

The Polaris and Altair Projects are proximal to outcropping tertiary sedimentary host rock units (the Ts3) that are known to host claystone lithium deposits around Nevada, including:

- Ioneer’s (ASX: INR) DFS-stage Rhyolite Ridge project<sup>1</sup> (US\$1.265B after-tax NPV); and
- Lithium America’s 16.1Mt Lithium Carbonate Equivalent (LCE) Thacker Pass deposit – the largest lithium deposit in North America<sup>2</sup>.

Astro’s exploration model is to target shallowly sub-cropping Ts3 lacustrine sedimentary rocks that are prospective for claystone lithium deposits. The Montezuma Valley, an extension of the Big Smoky Valley, is considered highly prospective for this style of mineralisation, with a number of lithium explorer/developers having staked claims in the valley, including:

- American Lithium Corporation (OTCMKTS: LIACF) 7.13Mt LCE; TLC Lithium Project<sup>3</sup>
- American Battery Technology Corporation’s Tonopah Flats Project; and
- Pan-American Energy’s Horizon Lithium project.

Claystone-hosted deposits differ from hard-rock pegmatite deposits (such as are common in Australia) in that they form in soft rocks, with a semi-tabular shape that can be both strike extensive and thick.

If situated at surface or under shallow cover, this tabular morphology may facilitate low strip-ratio mining. Processing of ore from claystone-hosted deposits does not require roasting and is therefore less energy intensive. These differences result in lithium claystone projects having lower production costs than most hard-rock projects<sup>1,2</sup>.

## Staked Areas

Two areas have been staked, Polaris in the north covering an area of 14.5km<sup>2</sup>, and Altair in the south covering an area of 27.5km<sup>2</sup>, for a total of 509 unpatented mining claims<sup>4</sup>.

Planning an initial drill program is now in its final stages.

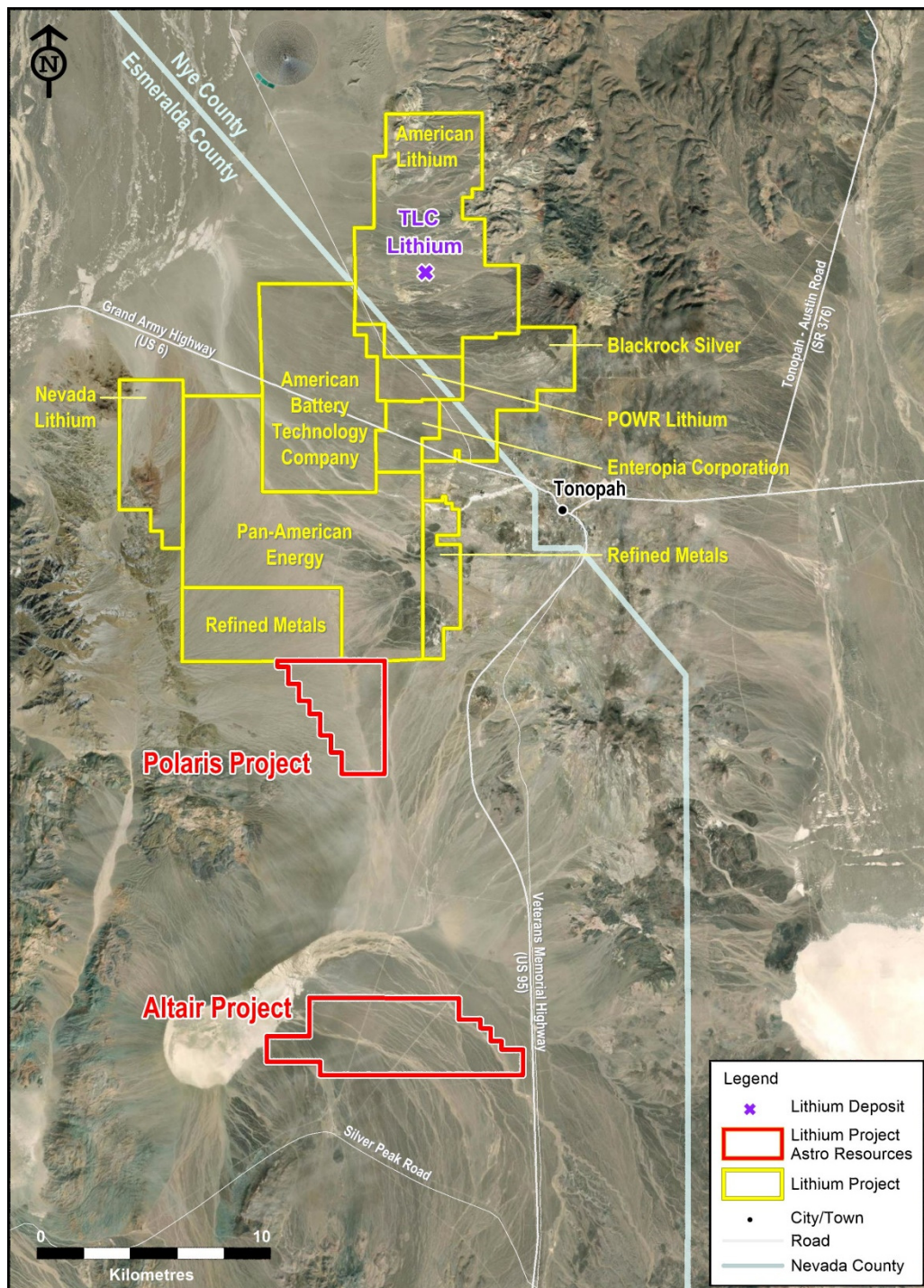


Figure 1. Location of the newly staked Polaris and Altair Projects, showing select neighbouring claim holders

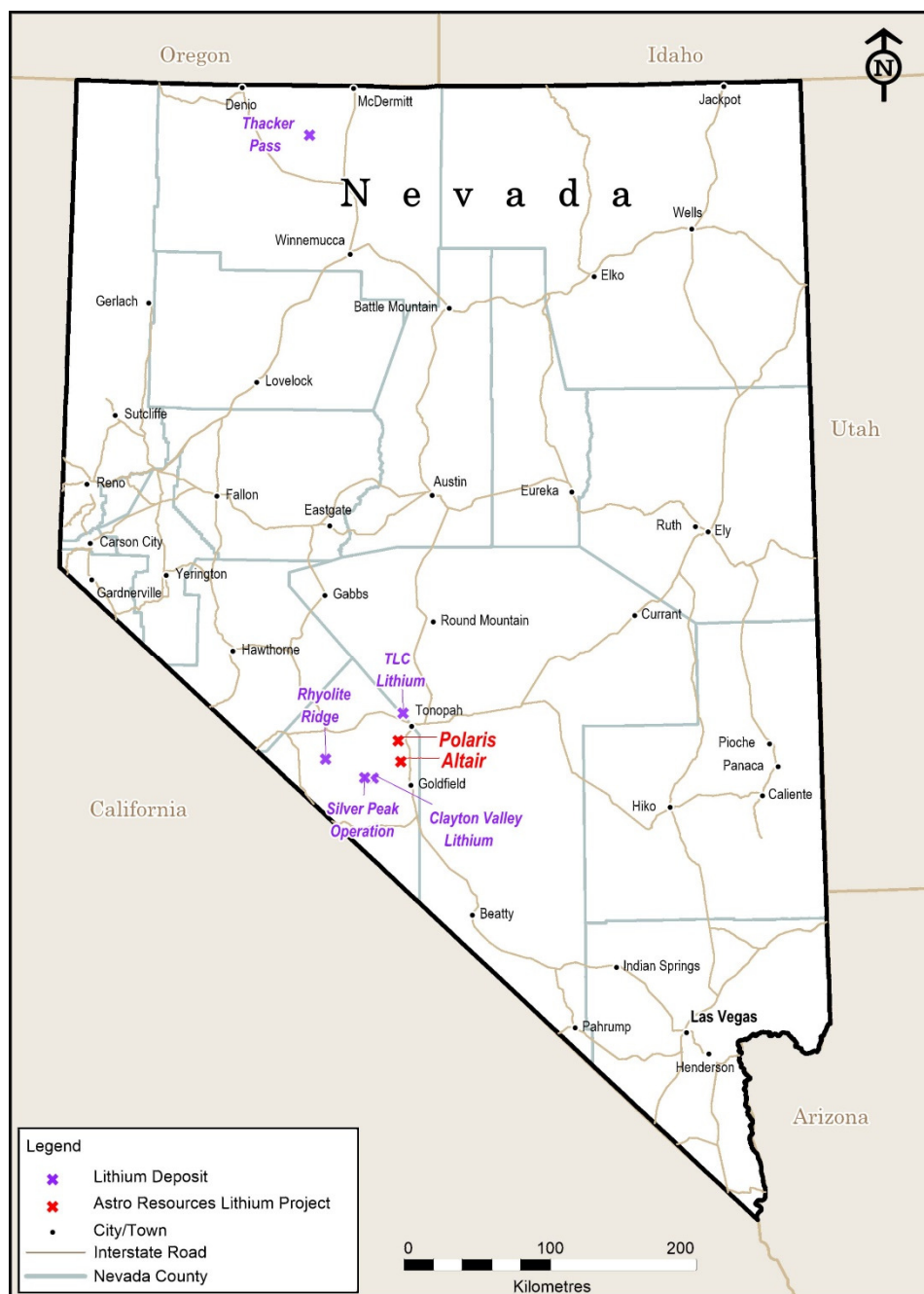


Figure 2. Astro Project Locations and major lithium resources of Nevada

## Other matters

The Company is also pleased to provide the following updates:

### Mineral Sands Update

Astro has completed planning for the 2023 work program at the Governor Broome Mineral Sands Project in WA, with key initiatives including:

- In-fill air-core drilling of the Inferred Resources within the Jack Track area to upgrade them to Indicated Resource status. The drilling is expected to commence in mid-March. Full results may not be available until late in the year, with final timing dependent on assay laboratory turnaround times.

- Exploration air-core drilling of potentially mineralised areas within E70/5872. The drilling is expected to commence in mid-April, with results expected by late 2023.
- Scoping Study: a revised Scoping Study for the Governor Broome Project will be carried out following the completion of the Jack Track Inferred Resources being upgraded to Indicated Resources. It is anticipated that the study will be completed by early 2024.

### **Resignation of Greg Jones**

Mr Greg Jones has tendered his resignation effectively immediately. The Board thanks Mr Jones for his outstanding contribution to the Company and wishes him every success going forward.

### **Joint Venture – Galactic Lithium Joint Venture**

Further to the market update of 12 December 2022 where Astro indicated it was in discussions with Luna Lithium Limited (**Luna**) in relation to the incorporation of a joint venture entity called “Galactic Lithium, LLC” (**Galactic**), the Company advises that it has now ceased those discussions. However, the Company remains open to working with Luna on other projects in the future.

### **East Kimberley Diamond**

Due to current market conditions, the Board has resolved not to proceed with the spin-off and listing of its East Kimberley Diamond Project. Instead, the Company has decided to pursue an alternative pathway and is currently in advanced discussions regarding a potential joint venture over the Project.

The proposed joint venture, which would secure ongoing funding for the Project, would be based on Astro retaining a majority interest in, and management of, the East Kimberley Diamond Project. The terms of the joint venture remain subject to execution of definitive legal documentation, receipt of any necessary shareholder and regulatory approvals and Board approval. The Company will keep the market updated on developments in accordance with its continuous disclosure obligations.

#### References

<sup>1</sup> ASX: INR 30 April 2020 ‘Ioneer Delivers Definitive Feasibility Study’

<sup>2</sup> TSX: LAC 31 January 2023 ‘GM and Lithium Americas top Develop US-sourced Lithium Production’

<sup>3</sup> TSX: V:LI <https://americanlithiumcorp.com/tlc-lithium-project/#mineralization>

<sup>4</sup> Certain of our United States mineral and surface use rights consist of “unpatented” mining claims created and maintained in accordance with the U.S. General Mining Law of 1872, or the General Mining Law. Unpatented mining claims are unique U.S. property interests, and are generally considered to be subject to greater title risk than other real property interests because the validity of unpatented mining claims is often uncertain. This uncertainty arises, in part, out of the complex federal and state laws and regulations that supplement the General Mining Law. Also, unpatented mining claims and related rights, including rights to use the surface, are subject to possible challenges by third parties or contests by the federal government. The validity of an unpatented mining claim, in terms of both its location and its maintenance, is dependent on strict compliance with a complex body of federal and state statutory and decisional law. In addition, there are few public records that definitively control the issues of validity and ownership of unpatented mining claims. Astro has not obtained title opinions on any of the unpatented mining claims.

### **Authorisation**

**This announcement has been authorised for release by the Board of Astro.**

### **More Information**

**Vince Fayad**

Executive Director

Vince.fayad@vfassociates.com.au

**Nicholas Read**

Media & Investor Relations

[nicholas@readcorporate.com.au](mailto:nicholas@readcorporate.com.au)