

16 February 2016

Ms Anjuil Sinnah
Adviser, Listings Compliance (Perth)
ASX Compliance Pty Limited
Level 40,
Central Park
252-158 St George's Terrace
Perth Western Australia 6000

Dear Ms Sinnah

By email: Anjuli.Sinniah@asx.com.au

Response to ASX aware query

I refer to your letter dated 12 February 2016 and respond as follows to the questions raised:

1. the Directors of Astro Resources NL ("**Astro**" or "**the Company**") do not consider that the information in relation to both the Farm-in and Joint Venture Arrangement ("**JV**") with Iluka Resources Limited ("**Iluka**") and the East Kimberly Diamond projects provided would have a material effect on the price of its securities;
2. the basis for forming the view that the information is not material is as follows:
 - (a) for both projects, the Company considers that the information as an update on work done during the quarter. Specifically:
 - (i) **Iluka JV** - the work done by Iluka has been ongoing and the Company has provided all information in relation to the developments relating to the Iluka JV on exploration licence E70/2464 since its establishment. The September quarterly activities statement lodged on 27th October 2015 ("**September Quarterly**") noted that "115 holes had been drilled for 1,881m on three traverses. Drilling intersected the target Pleistocene Warren Sands in most holes, the drilling has confirmed the presence of low grade (<5.0% per cent HM) mineralisation on each traverse". The key highlight noted in the Company's quarterly activities statement lodged on the 28 January 2016 ("December Quarterly") states "... *Iluka Resources complete a further 46 holes and the drilling has confirmed the presence of low grade (<5.0% per cent HM) mineralisation along five drill lines across the strike.....*" i.e. an additional two traverses have confirmed the same mineralisation, as such it represents a further update to the market.



As set out in paragraph (b) below, Iluka is the operating and majority partner in the JV. As such, the Company is reliant upon information provided to it from Iluka. At this stage, no detail of the drilling as regards, hole depth, co-ordinates, orientation or Heavy Minerals assays have been provided to the Company. Iluka provided the statement quoted to the Company regarding the latest drilling for inclusion in the Company's December quarterly report as an update. No prior information has been received by the Company that would have enabled a separate announcement to be made.

It is also noted that Iluka's analysis of the HM assays and mineral assemblages is on-going. The above statement, included in the December quarterly merely confirms the presence of similar mineralisation on the latest two traverses as that encountered on three previous traverses in the same area, as previously announced. Since no detail with regard to key information such as HM assemblages, grades or tonnage estimates is available at this stage, the Company's is of the opinion that the material does not constitute new or significant has occurred since the Company's last announcement.

It is also expected that if and when the on-going analysis provides results that are material then the Company in conjunction with its JV partner Iluka will be in a position to provide an announcement to keep the market informed.

- (ii) **East Kimberly Diamonds Project** – the Company has previously flagged that its drilling programme was targeted on magnetic anomalies identified as potential primary lamproite diamond pipes. The Company also noted that the magnetic signatures of the targets were larger than that occurs at the Argyle diamond pipe and as such could represent mineralisation other than lamproite'.

In addition to the above, the September Quarterly announcement also stated that the drilling intersected basic and ultrabasic and other lithologies and consequently samples were collected from these areas and sent for assay for uranium, base and precious metals and that the full extent of the results would be made available by the December quarter. Some quotes from the announcement are:

"These untested targets were recommended for further work as they show discrete "bulls-eye" magnetic signatures that are characteristic of primary diamond pipes elsewhere in the world. However, the Argyle pipe in the area has a very weak magnetic signature much lower than these detected anomalies. This stronger magnetic signal may indicate mineralization other than lamproite. Accordingly, testing of these targets was designed to search for both diamond indicator minerals found in lamproite pipes and other mineralisation including gold and base metals."



“Six targets were drilled, five on a star pattern; centre, north, south, east and west, their distance apart dependent on the target diameter, SC 18 was outcropping and nearby gravels were tested and the access to SC 28 was blocked by very loose river sand.”

“Diamond exploration

Samples were collected from the lower two metres of the gravels at each hole, these samples were composited for each anomaly and forwarded to NAGROM (Carlisle, Perth) for wet screening and concentration to look for diamonds and possible indicator minerals.”


Precious and Base Metal Exploration

The drilling also intersected downhole various basic and ultrabasic units, diorite and biotite dominated lithologies showing alteration and samples were also collected and sent to ALS (Perth) for assay for uranium, base and precious metals,”

The metal assays results announced in the December quarterly are “low tenor” In grade and would not be expected to materially effect the Company’s share price. However, even though low grade, the combination of types of metals present in the assay and rock type is potentially *geologically* significant and the statement “The results warrant further investigation” is simply stating that further work should be considered to ascertain whether this is the case. Should further work be undertaken and the findings prove to be material, then there will be an awareness of the topic and the Company will consider issuing an announcement at that time.

Separately, the Company notes that the primary target for the drilling programme was for diamond bearing lamproite pipes and not base metals. The December Quarterly notes that the current diamond sampling program results are only applicable to mini-DMS concentrates derived for material sized between +0.3 and 1.0mm and the Company retained the over and sized gravel material separated from this concentrate for further examination for diamond and diamond indicator minerals. The Company believes that the sampling programme analysis will be complete once this additional analysis is finalised, then at that point, a separate announcement will be provided at that time.

In view of the above, the information noted in the December Quarterly announcement represents the ongoing progress of the work being undertaken by the Company with respect to this project and no part of the information represents significant key findings with respect to this project;



(b) in relation to the Iluka JV, control of that joint venture is with the major joint venture partner, Iluka. Under the terms of the JV, Iluka is responsible for all matters of the JV and is the entity responsible for the execution and management of that project. It is a requirement of the JV that all announcements of the Company are approved by Iluka. Iluka shares information on a quarterly basis at project management meetings. The Company is therefore reliant as to the receipt of the necessary information from Iluka who is also aware and acknowledges the Company obligations to provide market sensitive information; and

(c) the Governor Broome JORC resource contained in the December Quarterly is consistent with the JORC resource estimates previously included in various disclosure documents by the Company, such JORC results are considered to be material to the share price of the Company;


3. not applicable;

4. not applicable;

5. the Company is aware of its continuous disclosure obligations under Listing 3.1 and management and the Company has in place the necessary processes in which to monitor this obligations.

Please contact the undersigned if you have any further questions in relation to the above.

Yours sincerely



Vince Fayad
Company Secretary



11 February 2016

Vincent Fayad
Company Secretary
Astro Resources NL
Level 8, 1 O'Connell Street
NSW 2000

By email: vfayad@lawlercf.com.au

Dear Mr Fayad

Astro Resources NL (the "Entity"): ASX aware query

ASX Limited ("ASX") refers to the following:

1. The Entity's announcement entitled "Quarterly Activities & Cashflow Reports" lodged with ASX Market Announcements Platform and released at 9:30 am AEDT on 28 January 2016 (the "Announcement"), summarizing the Company's quarterly activities for the quarter ended 31 December 2015. The Announcement states:
 - 1.1. in the section titled "Iluka Joint Venture" on page 4, the Company states Iluka Resources Limited completed forty six aircore drill holes for an advance of 552m on E70/2464 during the quarter and assay results have been returned ("Iluka Results"); and
 - 1.2. in the section titled "East Kimberley Diamonds" from page 4 that, during the quarter, the Entity received assay results and a geological report on its exploration drilling program undertaken on the Company's East Kimberley Lease areas ("East Kimberley Results Information").
2. Both the Iluka Results and the East Kimberley Results Information had not previously been disclosed to the market prior to the Announcement.
3. Listing Rule 3.1, which requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
4. The definition of "aware" in Chapter 19 of the Listing Rules. This definition states that:

"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity."

Additionally, you should refer to section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information"*.



5. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

“3.1A Listing rule 3.1 does not apply to particular information while each of the following requirements is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- *It would be a breach of a law to disclose the information;*
- *The information concerns an incomplete proposal or negotiation;*
- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and

3.1A.3 A reasonable person would not expect the information to be disclosed.”

5. ASX’s policy position on the concept of “confidentiality” which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B* “Listing Rule 3.1A.2 – the requirement for information to be confidential”. In particular, the Guidance Note states that:

“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”

Having regard to the above, we ask that you answer the following questions in a format suitable for release to the market in accordance with Listing Rule 18.7A:

1. Does the Entity consider the Iluka Results and the East Kimberley Results Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. If the answer to question 1 is “yes”, when did the Entity first become aware of the Iluka Results and the East Kimberley Results Information?
4. If the answer to question 1 is “yes” and the Entity first became aware of the Iluka Results and the East Kimberley Results Information before the relevant date, did the Entity make any



announcement prior to the relevant date which disclosed the Iluka Results and the East Kimberley Results Information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe the entity was obliged to release the Iluka Results and the East Kimberley Results Information under Listing Rules 3.1 and 3.1A and what steps the Entity took to ensure that the Iluka Results and the East Kimberley Results Information were released promptly and without delay.

5. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than **9:00am WST on Wednesday 17 February 2016**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Entity's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Entity's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at anjuli.sinniah@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rule 3.1

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

The obligation of the Entity to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Entity's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.



Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in the Entity's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Anjuli Sinniah
Adviser, Listings Compliance (Perth)