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Annual Report

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Cautionary statement

Certain sections of this report 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.

Competent Person's Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Rod Webster, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy and Australian Institute of Geoscientists. Mr Webster is a full time employee of AMC Consultants Pty Ltd and is independent of DMS, the owner of the Mineral Resources. Mr Webster has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Webster consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

During the coming year, we will remain focused on developing our mineral sands mining assets, with a particular focus on fundraising activity for the Donald Project, and continuing the work done on developing processes to produce low-cost high-quality zircon and titanium chemicals and metals.

About Astron

Astron Corporation Ltd ("Astron") is domiciled in Hong Kong and listed on the ASX. Astron is a zircon and titanium mineral sands focused business.

Astron's main focus is developing its wholly owned mineral sands projects, the Donald Project in Australia and the Niafarang project in Senegal. Astron has spent a considerable part of the last year optimising the definitive feasibility study for the Donald Project.

The Donald project is one of the largest known zircon and titanium resources in the world.

The Niafarang project in Senegal, West Africa, is a large coastal mineral sands high-grade deposit, to be exploited using simple dredge mining and processing method. Astron is currently undertaking further work on the application for a mining licence for the Niafarang Project.

Astron has continued 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.

Astron has significant research and technology capabilities in titanium and zirconium metal and chemical processes. Astron continues its Chinese mineral sands trading business to maintain close relationships with all of its key customers. Astron continues to develop its technical capabilities of producing zircon and titanium metals and chemicals.

Astron is also considering other projects, including investigating possibilities in the United States of America.

Highlights and key objectives

Astron's key objectives for the next 12 months are focusing on funding and developing the Donald Project and the Niafarang project. This includes arranging funding and EPC contracts for the Donald Project primarily through the ongoing negotiations with CMEC under the proposed EPC funding and any contract mining arrangements for the Niafarang project. Astron's Chinese activities will be focused on marketing, developing markets for the Donald and Niafarang projects and ongoing research and development. Astron will also consider any other opportunities. key customers. Astron continues to develop its technical capabilities of producing zircon and titanium metals and chemicals.

Astron is also considering other projects, including investigating possibilities in the United States of America.

Corporate matters



Return of capital to shareholders of 75c per share as a result of the capital gain made by Astron Limited from the sale of its Chinese processing companies to Imerys in 2008, which was free of capital gains tax in Australia.



After a significant delay, Astron was successful in its arbitration before the International Centre for Settlement of Investment Disputes ("ICSID") against the Gambian Government, arising from the revocation of its licence and expropriation of its mining assets. The next stage is determining the damages, measured based on recovery of damages for lost profits.



Astron's expenditure has been focused on developing the Donald Mineral Sands project, the Niafarang project and continued research and development.

Corporate matters



Donald Mineral Sands Project



Funding:

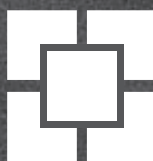
"Entry into the framework agreement with China Machining and Engineering Corporation (CMEC) represents a significant step forward in development of the Donald Project, providing a significant part of the funding for this project. Negotiations of definitive terms continue, and the parties remain focused on concluding formal documentation."

Alex Brown, President

Mineral Resource: Updated Mineral Resource estimates for the Donald and Jackson deposits to comply with the JORC 2012 code requirements.

Optimisation of the project:

Optimized Donald Project in terms of optimizing mining method, technical process improvement, utilising Chinese equipment to achieve more competitive CAPEX and OPEX continues.



Approvals: A Cultural Heritage Management Plan has been approved for Donald project by Aboriginal Affairs Victoria in the first quarter of 2014.



Work continues on other aspects of the relevant export approvals and work plan.

Niafarang (Senegal) Project



Further work undertaken in Senegal in relation to application for a mining licence for the Niafarang project licence, with the application lodged late 2013.



Final public meeting 27 October 2014

Other matters



Astron continues to seek mineral sands deposits in USA for processing and sale in China.



Astron continued its trading activities in China, but at subdued levels due to price declines and soft demand, resulting in a loss for the period.

Chairman's Report



“Announcement of a framework agreement with CMEC for our Donald Mineral Sands Project”

Dear Shareholder,

Astron remained focused during the year on its capital return to shareholders and its negotiation of a funding plan for the Donald Project in Victoria, Australia as well as progressing operations in China and Senegal.

Astron has also updated its Mineral Resource estimate for the Donald and Jackson deposits to comply with the 2012 JORC requirements, which represents an important step in progressing the project.

Further work is being undertaken in relation to the application for a mining licence for the Niafarang Project.

Our other focus has been in the research and development of new production processes for the manufacturing of advanced chemicals and metals. We are currently investigating new technologies to produce lower cost metals and chemicals.

Finally, I provide an updated financial report on Astron's performance during the year. Astron's net tangible asset value per share decreased to 29.2 cents, primarily due to the capital return of \$.75 per share to shareholders, completed in May 2014. The group generated \$5,147,761 in revenue during the year, a 60% decrease from the previous year, which resulted in a loss the year of \$7,583,406.

During the coming year, we will remain focused on developing our mineral sands mining assets, with a particular focus on fundraising activity for the Donald Project, and continuing the work done on developing processes to produce low-cost high-quality zircon and titanium chemicals and metals.

Together with Astron's other board members, I thank you for your continued support as a shareholder.

A handwritten signature in black ink, appearing to read 'Gerard King'.

Gerard King
CHAIRMAN

President's Report

This financial year has been both a challenging and a successful one for Astron. Pleasingly, Astron has delivered a maiden indicated Mineral Resource estimate for the Jackson deposit and the Mineral Resource estimates for the Donald and Jackson Deposits have been upgraded to comply with the JORC 2012 Code. The Group had a loss of \$7,583,406 from operating activities which was due primarily to poorer trading conditions, additional capital expenditure and increased remuneration during the financial year. At 30 June 2014, the Group had \$10,125,467 in cash and cash equivalents and term deposits on its statement of financial position, following the capital return of \$0.75 per share completed in May 2014.

OPERATIONS REVIEW

Donald

The development of the Donald project continued during the period under review. Progress was made in a number of important areas.

In relation to regulatory matters, the next stage in obtaining the right to mine is the completion of a work plan. A draft work plan has been submitted to the Department of Primary Industries. A Cultural Heritage Management Plan is required prior to obtaining an approved work plan. Stage 1 site surveys were undertaken and completed during the reporting period. A development plan for stage 2 has been completed and work continues.

In relation to geology and mining, additional drilling and sampling had been undertaken on the Donald and Jackson mineral sands deposits. Importantly, Astron has now released a Mineral Resource estimate upgrade to comply with the JORC 2012 code. The maiden indicated Mineral Resource estimate for the Jackson deposit was announced on 30 July 2014.

Further work was undertaken to upgrade and optimise the definitive feasibility study, which was announced in July 2013.

Additionally, further engineering design for all plant designs, processes and costs was undertaken, along with revision of operational and capital costs including the use of dry mining utilising excavators and conveyor system.

No further land was purchased during the year.

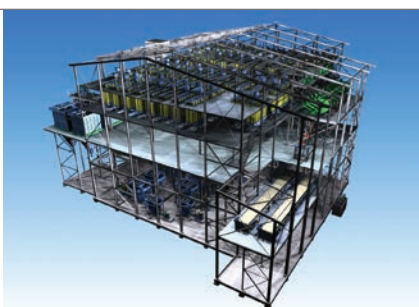
Funding

Astron's primary focus has continued to be considering funding and optimisation options on the basis of this its feasibility study. As announced on 14 April 2014 Donald Mineral Sands Pty Ltd has entered into a framework agreement with CMEC which sets out the parties' intentions and the process for agreeing on an EPC contract for supply and installation of equipment for the MUP/ WCP for the Donald Mineral Sands project and assistance with funding the Project. While no formal definitive contracts have been entered into, the parties continue to work on the negotiations for these contracts.



75c

**capital return
per share**



Optimisation and upgrade of definitive feasibility study continues

China operations

Work at Yingkou continued with the construction of additional infrastructure, construction of the zircon sponge plant and the purchase of equipment for the laboratory.

Astron's technical consultants Mineral Engineering Technical Services Pty Ltd have confirmed that the proposed zircon washing process is feasible and capable of reducing the impurities in the Donald zircon sand enabling the production of a premium zircon product. Further development of separation plant was undertaken.

Senegal

While Astron has not yet been issued a mining licence in Senegal, work continued on the relevant components required for the small mining licence. The most significant of these matters are the environmental impact assessment, in particular the social acceptance for the Niafarang project, the Sustainable development plan and its inclusion into the PSE (Plan Senegal Emergent), and finalising the terms and conditions of the small mining licence convention.

America

Astron continues to pursue mineral sands deposits in USA for processing and sale in China.

FINANCIAL PERFORMANCE

As at 30 June 2014, the Astron Group had a net asset value of \$96,787,292. Around \$10,125,467 of this amount is cash or cash equivalents. It is important to recognise that the net asset value is based on a book value for the Donald and Niafarang projects, which does not take any account of comparable valuations of other mineral sands projects.

Total revenue comprising sales, interest received and other income decreased from the prior year by 60% to \$5,147,761. This mainly due to the substantial reduction in interest rates and lower trading volume and prices.

The decrease in inventory and payables is attributed to lower sales activity in the 2014 financial year. Available-for-sale financial assets comprise shares in South American Iron & Steel, Altona Mining, Zambezi Resources and Greenpower Energy. The combined market value of these investments has combined market value of these investments has increased by \$223,051 from 30 June 2013. This increase has been credited to the financial assets available-for-sale reserve in the consolidated statement of financial position and impairment of available-for-sale financial assets expense account in the consolidated statement of profit and other comprehensive income.

The increase in property, plant and equipment arises from land purchases at the Donald Project. The increase in intangible assets arises from development expenditure capitalised in respect of the Donald and Niafarang projects.



The decrease in the net tangible asset value from 114.6 cps at 30 June 2013 to 29.2 cps at 30 June 2014 primarily relates to from the return of capital where \$91,859,839 was returned to shareholders in May 2014.

OTHER OPPORTUNITIES

Astron has identified a strategy to consider other projects. It is currently identified a number of possible projects in the USA that appear to be worthy of further investigation. While no firm decision has been made in respect of any of these projects, there are some that may be worth pursuing further. Once a decision is made by Astron regarding any of these projects we will announce the scope of further study and the prospects regarding the project.

THE YEAR AHEAD

For the coming year, Astron will be focused on the financing of the Donald Project in Victoria, bringing the Niafarang Project in Senegal closer towards production by obtaining a mining licence and commencing contract mining and continuing development of our research capability for zircon and titanium metals in China.

During the financial year, the role of Chief Executive Officer has been filled by executive directors. Astron continues to monitor its staffing levels and is considering its long-term structure and other requirements. It has not yet been determined whether any change to Astron's structure will be implemented and this is a matter currently being considered by the board.

After the end of the financial year, Mr Ronald McCullough resigned as a director of Astron and will step down from his role as consultant on company projects in order to pursue other interests.

I would like to thank Ron for his significant contribution to Astron over the last 8 years and wish him well for his future endeavours.

Finally, I thank my team at Astron for their continued support, hard work and enthusiasm and I look forward to entering an exciting new phase with you.

Alex Brown
President

\$91.8m

**returned to shareholders
in May 2014**

Sustainable development

Astron's sustainable development encompasses our commitment and policy towards our employees, local communities, health and safety, and the environment.

58

employees in the Astron Group:



37

male



21

female

Employees and other stakeholders

Astron Group currently has 58 employees. We take our responsibility to our staff seriously through our human resources policies.

Astron's HR policies demonstrate care and concern for our staff and their training, development and happiness, as well as care and concern for our customers, suppliers and shareholders.

In Astron, salaries are based on competitiveness within the local market environment. Additionally, all employees have a variable performance-related bonus which is determined by pre-agreed individual and team objectives.

Profit-sharing and other bonuses relating to team contribution and the overall performance of the Astron Group are paid according to policy.

Astron's programs are designed to encourage a young generation of local managers to gain experience quickly and to quickly provide real prospects of a satisfying and rewarding management position. Accordingly, Astron is a young person's company – dynamic, vibrant, and enthusiastic.

Local communities

Astron is committed to bringing positive change to the communities surrounding its mining operations. Astron's Donald Project has been planned in close consultation with the local community to provide significant economic and social benefits to the community. Astron is also in the process of planning a community fruit farming initiative in Senegal, nearby Astron's Niafarang Project. The social impact of the Niafarang project and acceptance of it has been the focus point during the year, in particular by focusing on communication strategies and information drives on small groups. The social campaign completion should coincide with the mining licence process. The EIA and EMP have been approved by the environmental technical team.

Environment

Astron strives to best-in-class performance in all aspects of environmental management. Compliance with all applicable legal requirements and legal codes of practice is seen as a minimum standard and we work to prudently reduce emissions and waste.

The Group is totally committed to continuing environmental vigilance and improved systems, controls and results such as the minimisation of all kinds of waste from mining and down streaming processes.

Corporate governance

The Board of Directors

The Board of Directors of Astron Corporation Limited is responsible for the corporate governance of the consolidated entity and is committed to achieving a high standard of corporate governance.

The Board of Directors at the time of issue of this report comprises:

- Gerard (Gerry) King (Chairman of Directors (Non-Executive))
- Robert (Bob) John Flew (Non-Executive)
- Alexander (Alex) Brown (Managing Director/President)
- Mdm Kang Rong (Executive)

Details of the qualifications and experience of each the above Directors (and Mr Ronald McCullough, who resigned after the date of the Directors' report) are available in the Directors' report.

Gerard King, and Robert Flew are independent directors in accordance with ASX guidelines. Further information about the Directors is set out in the Directors' Report.

Corporate Governance Policy

Astron Corporation Limited ("the Company") is committed to implementing the highest standards of corporate governance. In determining what those high standards should involve, the Company has turned to the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations ("Principles"). The Company is pleased to advise that the Company's practices are largely

consistent with those Principles. As gaining consistency with the Principles has been a gradual process, where the Company did not have certain policies or committees recommended by the ASX Corporate Governance Council in place during the reporting period, the Company has identified such policies or committees.

Where the Company's corporate governance practices do not correlate with the Principles, the Company is working towards compliance. However, it does not consider that all the Principles are appropriate for the Company due to the size and scale of the Company's operations.

1. Board of Directors

1.1 Role of the Board

The Board's role is to govern the Company rather than to manage it. In governing the Company, the Directors must act in the best interests of the Company as a whole. It is the role of senior management to manage the Company in accordance with the direction and delegations of the Board and the responsibility of the Board to oversee the activities of management in carrying out these delegated duties. The Board will be responsible for regularly reviewing the performance of senior management annually in accordance with Principle 1.2 and by way of both regular and annual performance review meetings. Annual performance reviews have occurred during the current reporting period in accordance with this process. In accordance with Principle 1.3, the board has undertaken performance evaluation of senior executives.

In carrying out its governance role, the main task of the Board is to drive the performance of the Company. The Board must also ensure that the Company complies with all of its contractual, statutory and any other legal obligations, including the requirements of any regulatory body. The Board has the final responsibility for the successful operations of the Company.

1.2 Composition of the Board

To add value to the Company, the Board has been formed so that it has effective composition, size and commitment to adequately discharge its responsibilities and duties given its current size and scale of operations. Directors are appointed based on the specific skills required by the Company and on their decision-making and judgment skills.

The Company recognises the importance of Non-Executive Directors and the external perspective and advice that Non-Executive Directors can offer. Mr Gerard King and Mr Robert Flew are Non-Executive Directors. Mr Gerard King is the Chairman (in accordance with Principles 2.2 and 2.3). All Non-Executive Directors are Independent Directors (meaning half of the Board are independent Directors so the company does not currently meet Principle 2.1, due to the recent resignation of Mr Ron McCullough) as they meet the following criteria for independence adopted by the Company:

An Independent Director is a Non-Executive Director and:

- is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;

- within the last three years has not been employed in an executive capacity by the Company or another group member, or been a Director after ceasing to hold any such employment;
- within the last three years has not been a principal of a material professional adviser or a material consultant to the Company or another group member or an employee materially associated with the service provided;
- is not a material supplier or customer of the Company or another group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- has no material contractual relationship with the Company or other group member other than as a Director of the Company;
- has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company;
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

1.3 Responsibilities of the Board

In general, the Board is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Company. It is required to do all things that may be necessary to be done in order to carry out the objectives of the Company.

Without intending to limit this general role of the Board, the principal functions and responsibilities of the Board for the purpose of Principle 1.1 include the following:

- Leadership of the Organisation: overseeing the Company and establishing codes that reflect the values of the Company and guide the conduct of the Board.
- Strategy Formulation: to set and review the overall strategy and goals for the Company and ensure that there are policies in place to govern the operation of the Company.
- Overseeing Planning Activities: the development of the Company's strategic plan.
- Shareholder Liaison: ensuring effective communications with shareholders through an appropriate communications policy and promoting participation at general meetings of the Company.
- Monitoring, Compliance and Risk Management: the development of the Company's risk management, compliance, control and accountability systems and monitoring and directing the financial and operational performance of the Company.
- Company Finances: approving expenses and approving and monitoring acquisitions, divestitures and financial and other reporting.
- Human Resources: appointing, and, where appropriate, removing the Managing Director as well as reviewing his performance and monitoring the performance of senior management in their implementation of the Company's strategy.

- Ensuring the Health, Safety and Well-Being of Employees: in conjunction with the senior management team, developing, overseeing and reviewing the effectiveness of the Company's occupational health and safety systems to ensure the well-being of all employees.
- Delegation of Authority: delegating appropriate powers to the Managing Director to ensure the effective day-to-day management of the Company and establishing and determining the powers and functions of the Committees of the Board.

1.4 Board Policies

1.4.1 Conflicts of Interest

Directors must:

- disclose to the Board actual or potential conflicts of interest that may or might reasonably be thought to exist between the interests of the Director and the interests of any other parties in carrying out the activities of the Company;
- if requested by the Board, within seven days or such further period as may be permitted, take such necessary and reasonable steps to remove or resolve any conflict of interest; and
- if a Director cannot or is unwilling to remove a conflict of interest then the Director must, as per the Hong Kong Companies Ordinance, absent himself or herself from the room when discussion and/or voting occurs on matters about which the conflict relates.

1.4.2 Commitments

Each member of the Board is committed to spending sufficient time to enable them to carry out their duties as a Director of the Company.

1.4.3 Confidentiality

In accordance with legal requirements and agreed ethical standards, Directors and key executives of the Company have agreed to keep information received in the course of the exercise of their duties confidential and will not disclose non-public information except where disclosure is authorised or legally mandated.

1.4.4 Continuous Disclosure

The Board has designated the Company Secretary as the person responsible for overseeing and coordinating disclosure of information to the ASX as well as communicating with the ASX. In accordance with Principle 5.1 and the ASX Listing Rules the Company immediately notifies the ASX of information:

- concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities; and
- that would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.

In addition, each Director of the Company must provide the Company Secretary with details of any interest notifiable to ASX in accordance with Listing Rule 3.19A including:

- any relevant interest (within the meaning of section 9 of the Corporations Act) in securities of the Company or a related body Corporate; and
- any interest in contracts to which the Director is a party or under which the Director is entitled to benefit, and that confer a right to call for or deliver shares in, debentures of, or interests in a managed investment scheme made available by the Company or a related body corporate.

This information must be provided to the Company Secretary as soon as the Director becomes aware of the circumstances referred to above.

1.5 Education and Induction

It is the policy of the Company that new Directors undergo an induction process in which they are given a full briefing on the Company. Where possible this includes meetings with key executives, tours of the premises, an induction package and presentations. Information conveyed to new Directors includes:

- details of the roles and responsibilities of a Director;
- formal policies on Director appointment as well as conduct and contribution expectations;
- guidelines on how the Board processes function;
- details of past, recent and likely future developments relating to the Board;
- background information on and contact information for key people in the organisation;
- an analysis of the Company;

- a synopsis of the current strategic direction of the Company; and
- a copy of the Constitution of the Company.

In order to achieve continuing improvement in Board performance, all Directors are encouraged to undergo continual professional development. Specifically, Directors are provided with the resources and training to address skills gaps where they are identified.

1.6 Independent Professional Advice

The Board collectively and each Director has the right to seek independent professional advice at the Company's expense, up to specified limits, to assist them to carry out their responsibilities, subject to the prior approval of the Chairman whose approval will not be unreasonably withheld.

1.7 Related Party Transactions

Related party transactions include any financial transaction between a Director and the Company. Unless there is an exemption under the Hong Kong Companies Ordinance from the requirement to obtain shareholder approval for the related party transaction, the Board cannot approve the transaction.

1.8 Shareholder Communication

The Company respects the rights of its shareholders. To facilitate the effective exercise of those rights (including under Principle 6.1), the Company is committed to:

- communicating effectively with shareholders through releases to the market via ASX, information mailed to shareholders and the general meetings of the Company;
- giving shareholders ready access to balanced and understandable information about the Company and corporate proposals; and
- requesting the external auditor to attend the annual general meeting (or any equivalent shareholder meeting in Australia) and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

The Company also makes available a telephone number and email address for shareholders to make enquiries of the Company.

1.9 Trading in Company Shares

Effective 1 January 2011, the Board implemented a Share Trading Policy (the "Policy"). The Policy deals with the manner in which the Company's Directors and employees can deal in the Company's shares. The Policy restricts the dealing in shares during blackout periods and when Directors and employees are in possession of price sensitive information relating to the Company which is generally not available to the market. Blackout periods are defined as the 31-day period before the release of the Company's half-year or yearly results.

1.10 Performance Review/ Evaluation

It is the policy of the Board to conduct evaluation of its performance, the performance of committees and individual directors in accordance with Principle 2.5. The objective of this evaluation will be to provide best practice corporate governance to the Company. The Board has conducted a review during the relevant financial year and that review confirmed compliance with the stated objectives.

1.11 Attestations by Chairman and Non-Executive Director

It is the Board's policy that one of the Non-Executive Directors will be appointed to make the attestations recommended by the ASX Corporate Governance Council as to the Company's financial condition prior to the Board signing the Annual Report.

2. Board Committees

2.1 Audit and Finance Committee

Due to the size and scale of operations of the Company the Non-Executive Directors undertake the role of the Audit and Finance Committee. The Audit and Finance Committee has a formal charter in accordance with Principle 4.3. Below is a summary of the role and responsibilities of the Audit and Finance Committee.

2.1.1 Role

The Audit and Finance Committee, established in accordance with Principle 4.1 and structured in accordance with Principle 4.2 (except that it currently has 2 members due to the recent resignation of Mr Ron McCullough), is responsible for reviewing the integrity

of the Company's financial reporting and overseeing the independence of the external auditors. Mr Robert Flew is the chairman of the Audit and Finance Committee.

2.1.2 Responsibilities

The Audit and Finance Committee reviews the annual and half-yearly financial statements and any reports which accompany published financial statements and recommends their approval to the members.

The Audit and Finance Committee each year reviews the appointment of the external auditor, their independence, the audit fee, their process for rotation of audit engagement partners and any questions of resignation or dismissal.

The Audit and Finance Committee is also responsible for establishing policies on risk oversight and management.

2.1.3 Risk Management Policies

The Board is responsible for ensuring there is a sound system for overseeing and managing risk. As the whole Board only consists of 4 members, the Company does not have a separate Risk Management Committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues. Under Principles 7.1 and 7.2, the Company has established policies for the oversight and management of material business risks, and management has internal control system to manage the Company's material business risks and report on whether those risks are being managed effectively. Management reports to the Board on risk issues, including by way of monthly management reporting on

all compliance and risk management matters. The monthly management reports include a report on the effectiveness of the Company's risk management processes. The Board also receives an annual assurance from the managing director and any chief financial officer to the effect that in their opinion the Company's financial records and financial statements comply with the accounting standards and give a true and fair view of the Company's financial position, that the basis of their view is founded on a sound system of risk management and internal controls, and that such system is operating effectively in all material respects in relation to risks associated with financial reporting, in accordance with Principle 7.3.

2.2 Code of Conduct

The Company has developed a statement of values and a Code of Conduct (the "Code") in accordance with Principle 3.1 which has been fully endorsed by the board and applies to all Directors and employees. The Code is regularly reviewed and updated as necessary to ensure it reflects the highest standards of behaviour and professionalism and practices necessary to maintain confidence in the Group's integrity.

The Directors require that at all times all Company personnel act with the utmost integrity, objectivity and in compliance with the spirit of the law and company policies.

The Code requires employees who are aware of unethical practices within the Group or breaches of the Company's trading policy to report these using the

Company's whistle-blower program. This can be done anonymously.

The Directors are satisfied that the Group has complied with its policies on ethical standards, including trading in securities.

2.3 Remuneration Committee

2.3.1 Establishment and Role

The Remuneration Committee, established in accordance with Principle 8.1 and structured in accordance with Principle 8.2 (except that it currently has 2 members due to the recent resignation of Mr Ron McCullough), is responsible for reviewing the Company's remuneration policies. Mr Robert Flew is the chairman of the Remuneration Committee. The role of a Remuneration Committee is to assist the Board in fulfilling its responsibilities in respect of establishing appropriate remuneration levels and incentive policies for employees. This includes assisting the Board with gender diversity. Under Principle 3.4, the Company notes that out of two (2) Executive Directors, one (1) is female. In relation to senior executive positions, out of 11 one is female. Out of the total of 58 employees, 21 are female. In accordance with Principles 3.2 and 3.3, the Company has established a policy concerning diversity and this includes the promotion of gender diversity, and the Board is setting objectives to promote this policy. The Company strives to continue to improve in this area.

Due to the size and scale of operations of the Company, the Non-Executive Directors undertake the role of the Remuneration Committee.

2.3.2 Responsibilities

The responsibilities of the Remuneration Committee include setting policies for senior officers' remuneration, reviewing and making recommendations to the Board on the Company's incentive schemes and superannuation arrangements, reviewing the remuneration of both Executive and Non-Executive Directors, and making recommendations on any proposed changes and undertaking reviews of the Managing Director's performance, including setting goals with the Managing Director and reviewing progress in achieving those goals. The structure of Non-Executive Directors', Executive Directors' and senior executives' remuneration is set in accordance with Principle 8.3.

2.3.3 Remuneration Policy

Directors' Remuneration for the majority of Directors is approved at a Board meeting from time to time.

2.3.3.1 Senior Executive Remuneration Policy

The Company is committed to remunerating its senior executives in a manner that is market-competitive and consistent with best practice as well as supporting the interests of shareholders. Consequently, under the Senior Executive Remuneration Policy, the remuneration of senior executives may be comprised of the following:

- fixed salary that is determined from a review of the market and reflects core performance requirements and expectations;

- a performance bonus designed to reward actual achievement of performance objectives by the individual and for materially improved Company performance;
- participation in any share/option scheme with thresholds approved by shareholders; and
- statutory superannuation.

By remunerating senior executives through performance and long-term incentive plans in addition to their fixed remuneration, the Company aims to align the interests of senior executives with those of shareholders and increase Company performance.

The value of shares and options were they to be granted to senior executives would be calculated using the Black-Scholes method.

The objective behind using this remuneration structure is to drive improved Company performance and thereby increase shareholder value as well as aligning the interests of executives and shareholders.

The Board may use its discretion with respect to the payment of bonuses, stock options and other incentive payments.

2.3.3.2 Non-Executive Director Remuneration Policy

Non-Executive Directors are to be paid their fees out of the maximum aggregate amount approved by shareholders for the remuneration of Non-Executive Directors. Non-Executive Directors do not receive performance-based bonuses.

Non-Executive Directors are entitled to but not necessarily paid statutory superannuation. The Non-Executive Directors are not entitled to any other retirement benefits.

2.3.4 Current Director Remuneration

Full details regarding the remuneration of Directors is included in the Directors' Report.

None of the Directors have any unvested entitlements in relation to any equity securities in the Company, so there is no need to prohibit Directors from transactions in relation to unvested entitlements.

2.4 Nomination Committee

2.4.1 Role

The role of a Nomination Committee is to help achieve a structured Board that adds value to the Company by ensuring an appropriate mix of skills are present in Directors on the Board at all times.

As the whole Board only consists of 4 members, notwithstanding Principle 2.4 the Company does not have a nomination committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues.

2.4.2 Responsibilities

The responsibilities of the Nomination Committee include devising criteria for Board membership, regularly reviewing the need for various skills and experience on the Board and identifying specific individuals for nomination as Directors for review by the Board. The Nomination Committee also oversees management succession plans and

evaluates the Board's performance and makes recommendations for the appointment and removal of Directors. In relation to the procedure for re-election of incumbent directors, the Nomination Committee considers the incumbent director's performance against the current criteria for selection of directors, to ensure that the incumbent is still an appropriate candidate for the role. Currently, the Board as a whole performs this role.

2.4.3 Criteria for selection of Directors

Directors are appointed based on the specific governance skills required by the Company. Given the size of the Company and the business that it operates, the Company aims at all times to have at least two Directors with experience appropriate to the Company's target market. In addition, Directors should have the relevant blend of personal experience in accounting and financial management and Director-level business experience. The Directors seek to ensure continued gender diversity of the Board, noting that currently of the 4 board members, one is female.

Annual Financial Statements

for the year ended 30 June 2014

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Directors' report

The Directors of Astron Corporation Limited (the 'Company') present their report on the consolidated entity ('Group' or 'Astron'), consisting of Astron Corporation Limited and the entities it controlled at the end of, and during, the financial year ended 30 June 2014.

Directors

The following persons were Directors of Astron Corporation Limited for part of the financial year and up to the date of this report:

Names

Mr. Gerard King
Mr. Alexander Brown
Mr. Robert Flew
Mr. Ronald McCullough
Mdm. Kang Rong

Principal Activities

The principal activities of the Group during the financial year were:

- Evaluation and development of the Donald mineral sands mining and processing project (Donald or Donald Project)
- Evaluation and development of the Niafarang mineral sands mining processing project (Niafarang)
- Evaluation and development of downstream applications for zircon and titanium
- Titanium based materials trading

There have been no significant changes in the nature of the Group's principal activities during the financial year.

Significant Changes to Group Structure

There have been no significant changes to the Astron group structure in the financial year ending 30 June 2014.

Financial Position

The net assets of the Group have decreased to **\$96,787,292** a decrease of **\$99,865,722** from 2013.

The net assets have been affected by:

- Return of capital to shareholders **\$91,859,839**
- Foreign exchange impact on foreign controlled assets of **\$664,891**
- Net loss for the year of **\$7,583,406**
- Increase in the value of financial assets available for sale of **\$242,414**
- Write down of receivables of **\$1,117,662**

Dividends

No final dividend was proposed for the current financial year or the year ended 30 June 2014.

Review of Operations

Financials

Consolidated Statement of Profit or Loss and other Comprehensive Income

- Total revenue comprising sales, interest received and other income decreased from the prior year by 60% to \$5,147,761. This is essentially due to the substantial reduction cash on deposit and limited trading in Chinese markets.
- Gross margins from the trading business were negative due to market condition in the Chinese markets. Inventory has been written down by \$481,578 (2013: \$537,920) reflecting the current market prices, where a price rebound that did not eventuate.
- Administration expenditure decreased by \$915,776 to \$7,418,162. This decrease can be explained by the reduction in remuneration of key management personnel for the year and ongoing expenditure rationalisation.
- Costs associated with Gambia litigation comprise legal fees and associated advisors' costs and costs pertaining to expert witnesses.

Consolidated Statement of Financial Position

- The decrease in inventories is attributed to lower sales activity, price pressure and further provisions against inventory carrying values in the 2014 financial year.
- Available for sale financial assets comprise shares in South American Iron & Steel, Altona Mining, Zambezi Resources and Greenpower Energy. The combined market value of these investments has increased by \$223,051 from 30 June 2013. This increase has credited the financial assets available-for-sale reserve in the statement of financial position and impairment of available-for-sale financial assets expense account in the profit and loss.
- The increase in intangible assets arises from further development expenditure capitalised in respect of the Donald Mineral Sands and Niafarang (Senegal) projects.
- Land use rights comprise 50 year land use leases. These leases are capitalised and amortised over the 50 year period. The decrease in the carrying value to \$2,903,760 is due to land use leases in China with a written down value of \$6,738,679 being classified as held for sale.
- The decrease in the net asset value from 114.6 cps at 30 June 2013 to 29.2 cps at 30 June 2014 primarily relates to from the return of capital where \$91,859,839 was returned to shareholders in May 2014.

Operations review

Donald

The development of the Donald project continued during the period under review. Progress was made in the following areas:

Regulatory

- The next stage in obtaining the right to mine is the completion of a work plan. A draft work plan has been submitted to the Department of Primary Industries. A Cultural Heritage Management Plan is required prior to obtaining an approved work plan. Stage 1 site surveys were undertaken and completed during the reporting period. A development plan for stage 2 has been completed and work continues.

Geology and mining

- Additional drilling and sampling had been undertaken on the Donald and Jackson mineral sands deposits.
- The company has now released a resource upgrade has been released to comply with the JORC 2012 code.
- Work was undertaken to upgrade the definitive feasibility study, which was announced in July 2013.

Plant designs, processes and costs

- Further engineering design for all plant was undertaken, along with revision of operational and capital costs including the use of dry mining utilising excavators and conveyor system.

Land

- No further land was purchased during the year.

Funding

- The company continues to consider funding and optimisation options on the basis of this its feasibility study.
- As announced on 14 April 2014 Donald Mineral Sands Pty Ltd has entered into a framework agreement with the China Machinery Engineering Corporation which sets out the parties' intentions and the process for agreeing on an EPC contract for supply and installation of equipment for the MUP/WCP for the Donald Mineral Sands project and assistance with funding the Project.

China operations

- Work at Yingkou continued with the construction of additional infrastructure, construction of the zircon sponge plant and the purchase of equipment for the laboratory.
- Astron's technical consultants Mineral Engineering Technical Services Pty Ltd have confirmed that the proposed zircon washing process is feasible and capable of reducing the impurities in the Donald zircon sand enabling the production of a premium zircon product. Further development of separation plant was undertaken.

Senegal

- Work continued on the components required to apply for the mining licence which is subject to Government approval.

America

- Astron continues to pursue mineral sands deposits in USA for processing and sale in China.

Prospects

The Group's objectives for the 2015 financial year are to continue with exploring funding options for the Donald Mineral Sands project, developing the Donald and the Niafarang projects and associated downstream research and development activities.

Significant Changes in State of Affairs

Cash and term deposits decreased by \$97,998,268 principally due to the return of capital in May 2014.

There have been no other significant changes in the Group's state of affairs during the financial year.

Matters Subsequent to the end of the Financial Year

Subsequent to year end Astron has reached settlement with regards to the claim received from its former CEO regarding the termination of his employment. This claim has previously been disclosed as a contingency. The terms of the settlement are confidential. The settlement will not have a significant impact on the Company's stated reported financial position as at 30 June 2014.

There are no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

Likely Developments

The Group continues to explore funding options for the Donald Mineral Sands project. The Group expects to finalise funding options within the current financial year. Subject to adequate financing, the Group proposes to construct all plant to permit the Donald Mineral Sands project to commence production from the first quarter 2016. Ore from the mine will be processed into a heavy mineral concentrate at site at Donald, Victoria, which will then be transported to a processing plant in China for further processing into final products.

The Group proposes to develop the Niafarang project following the anticipated award of the small mine license by end of 2014, moving to contract mining in 2015. Once the Niafarang project is in production, the Group will have an additional revenue source, which will have an immediate impact on the financial position of the Group. The Group's business strategies continue to be based on being a high-quality producer of zircon and titanium (together with associated products) focused on sales and marketing activities in China.

Environmental Regulation

The Group's operations are in China and Australia. In Australia, our Environmental Effects Statement for the Donald mine has been approved. The Group complied with all environmental regulations in relation to mining operations and there were no reportable environmental matters from the Australian operations.

Once these projects have been developed the Group will if applicable apply the National Greenhouse and Energy Reporting Act of 2007.

In China, the Group continues to work closely with the local authorities to ensure high standards are maintained. In relation to the proposed manufacturing processes in China, there were no exceptions noted by regular local government environmental testing and supervision. Further the development projects will be implemented with best practice standards carefully monitored by the local authorities.

To the best of the Directors' knowledge, the Group has adequate systems in place to ensure compliance with the requirements of all environmental legislation described above and are not aware of any breach of those requirements during the financial year and up to the date of the Directors' report.

Occupational Health and Safety

During the period under review there were no lost time injuries.

Director Information

Mr. Gerard King	Chairman (Non executive)
Qualifications	LLB
Experience	<ul style="list-style-type: none"> Board Member since 6 December 2011 (Astron Limited: 5 November 1985) Former partner of law firm Phillips Fox and has had over 30 years of experience in corporate and business advising including acting as a Director of a number of Australian Public Companies
Interest in Shares	49,038 Ordinary shares
Special Responsibilities	Mr. King is a member of the Audit & Risk Committee and the Chairman of the Remuneration & Nomination Committee
Directorships held in other listed entities	Mr. King is a Director of Greenpower Energy Limited (appointed 4 November 1985) which was listed on 5 March 2008.

Mr. Alexander Brown	President (Executive)
Qualifications	B AgSc
Experience	<ul style="list-style-type: none"> Board Member since 6 December 2011 (Astron Limited: 4 February 1988) Wide commercial experience of over 30 years in construction, mining and exploration including developing the Horseshoe Lights Gold Mine at Meekathara W.A., expanding the Gunnedah Coal Mine, in NSW, and successfully drilling for oil and gas in Thailand and USA. Mr Brown also started with others a major advanced plastics pipe company Europipe Sdn Bhd in Malaysia in 1987 which manufactured and distributed its products throughout Asia and Australasia. In the last 19 years his activities have focused in building the Astron business in China.
Interest in Shares	94,183,124 Ordinary shares
Special Responsibilities	Mr. Brown is the President and responsible for the operations of the Group
Directorships held in other listed entities	Mr. Brown is not currently a Director of another listed company.

Mr. Robert Flew (Non executive)	
Qualifications	B Ec (Hons)
Experience	<ul style="list-style-type: none"> Board Member since 31 January 2012 (Astron Limited: 19 March 2004) Mr. Flew brings to Astron in excess of 40 years' experience in the resources sector. Mr. Flew's experience includes holding the positions of Company Secretary and Vice President Investor Relations of BHP, the Group General Manager of Corporate Development BHP Copper, Group General Manager of International BHP and Group General Manager of BHP's coal business in Queensland. He is widely experienced in global issues, in particular the requirements of customers, partners, governments, industry associations, corporate governance and shareholders. He has had hands on experience in working with large multinational projects in the areas of finance, general corporate administration, governance and shareholder interaction.
Interest in Shares	341,148 Ordinary shares
Special Responsibilities	Mr. Flew is the Chairman of the Audit & Risk Committee and a member of the Remuneration & Nomination Committee
Directorships held in other listed entities	Mr. Flew is not currently a Director of another listed company

Mr. Ronald McCullough (Non executive)	
Qualifications	M.B.A., B.E. (Hons), FAustIMM
Experience	<ul style="list-style-type: none"> Board member since 31 January 2012 (Astron Limited: 21 August 2006) Mr. McCullough is an Honours graduate in Engineering from the University of Western Australia. He also completed a Master of Business Administration at UWA. Subsequently, he has been involved in civil engineering design, and the construction of various major engineering works in Western Australia, including water supply dams, major water reticulation and suburban infrastructure projects. Mr. McCullough has extensive mining experience, including bauxite and coal mining. Ron has investigated the development of a private power station and the exploitation of coal bed methane deposits in the Gunnedah basin on NSW. While involved with the Maitland Main Collieries, which held an authorisation to develop a large coal deposit at Glennies Creek, near Singleton, in the Hunter Valley, NSW he managed all necessary environmental impact studies, authority compliance requirements, mine construction and operation feasibility studies and then obtained a mining lease for the deposit. Mr. McCullough became involved in the sand mining industry in Western Australia with the development, in 1994, and management until 2005 of a silica sand mining and exporting operation at Albany in Western Australia, on behalf of Japanese corporations.
Interest in Shares	8,000 Ordinary shares
Special Responsibilities	Mr. McCullough is a member of the Audit & Risk Committee and Remuneration & Nomination Committee
Directorships held in other listed entities	Mr. McCullough is a Director of Greenpower Energy Limited (appointed 26 October 1994) which was listed on 5 March 2008.

Mdm Kang Rong (Executive)	
Qualifications	B.E.(Chem)
Experience	<ul style="list-style-type: none"> • Board member since 31 January 2012 (Astron Limited: 21 August 2006) • Mdm Kang Rong worked as a Chemical Production Engineer at Shenyang Chemical Company (a major Chinese company based in Shenyang (Liaoning Province). She then moved to Hainan Island China and worked in sales and administration for the Japanese trading co. Nissei, Ltd. • She joined Astron in 1995 as marketing manager of Shenyang Astron Mining Industry. Since then she has overseen Astron's China operations and global sales for over 13 years and has been largely responsible for the growth and development of the Company.
Interest in Shares	4,000,000 Ordinary Shares
Special Responsibilities	As Vice General Manager she has been in charge of all Astron's China operations.
Directorships held in other listed entities	Mdm Kang Rong is not currently a Director of another listed company.

Interest in Shares includes directly, indirectly, beneficially or potentially beneficially held shares.

Directors' report continued

Meetings of Directors

During the financial year, seven meetings of Directors (excluding committees of Directors) were held for Astron Corporation Limited. Attendances by each Director at Directors' meeting, audit and risk committee and remuneration and nominating committee meetings during the year were as follows:

Astron Corporation Limited	Directors' Meetings		Committee Meetings			
			Audit & Risk Committee		Remuneration & Nomination Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Mr. Gerard King	7	7	3	3	2	2
Mr. Alexander Brown	7	7	0	N/A	0	N/A
Mr. Robert Flew	7	7	3	3	2	2
Mr. Ronald McCullough	7	7	3	3	2	2
Mdm Kang Rong	7	7	0	N/A	0	N/A

Share Options

No options over issued shares or interests in the Group or a controlled entity were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Remuneration Report

Policy for determining the nature and amount of Key Management Personnel remuneration

The remuneration policy of the Group has been designed to align Director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering potential long term incentives based on key performance areas affecting the Group's financial results. The board of Astron Corporation Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and Directors to run and manage the Group, as well as create goal congruence between Directors, executives and shareholders.

The board's policy for determining the nature and amount of remuneration for the board members and senior executives of the Group is as follows:

- The remuneration policy for the executive Directors and other senior executives was developed by the remuneration committee and approved by the board after seeking professional advice from an independent external consultant.
- All executives receive a market related base salary (which is based on factors such as length of service and experience), other statutory benefits and potential performance incentives.
- The remuneration committee reviews executive packages annually by reference to the Group's performance, executive performance and comparable information from industry sectors.

The performance of executives is measured against criteria agreed with each executive and is based predominantly on the forecast growth of the Group's profits and shareholders' value. All bonuses and incentives are linked to the performance of the individual and are discretionary. The objective is designed to attract the highest caliber of executives and reward them for performance that results in long term growth in shareholder wealth.

At the discretion of the Committee from time to time shares are issued to executives to reflect their achievements. There are presently no option based schemes in place.

Where applicable executive Directors and executives receive a superannuation guarantee contribution required by the government, which is currently 9.5%, and do not receive any other retirement benefits.

Some individuals, however, have chosen to sacrifice part of their salary to increase payments towards superannuation.

If shares are given to Directors and/or executives, these shares are issued at the market price of those shares.

The board policy is to remunerate non-executive Directors at market rates for time, commitment and responsibilities. The remuneration committee determines payments to the non-executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive Directors is subject to approval by shareholders at the Annual General Meeting. Fees for non-executive Directors are not linked to the performance of the Group. However, to align Director's interests with shareholder interests, the Directors are encouraged to hold shares in the Group.

Performance based remuneration

As part of each executive Director and executives remuneration package there is a discretionary bonus element. The intention of this program is to facilitate goal congruence between Directors/executives with that of the business and shareholders.

In determining whether or not each executive Director and executive's bonus is due, the remuneration committee bases the assessment on audited figures and independent reports where appropriate.

The remuneration committee reserves the right to award bonuses where performance expectation has prima facie not been met but it is considered in the interests of the Group to continue to reward that individual.

The bonus arrangements have been entered into with the following key management personnel (KMP):

Executive	Amount of bonus
Mark Coetzee	50% of annual salary for achievement of pre-determined KPIs

Other KMPs are entitled to the annual bonus program of the Group, which will be based on the performance of the group and at the discretion of the Board. The terms of the bonus program are in the process of being defined.

Company performance, shareholder wealth and directors and executives remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders and Directors and executives. This has been achieved by awarding discretionary bonuses to encourage the alignment of personal and shareholder interests. The Group believes this policy to have been effective in increasing shareholder wealth and the Group's consolidated statement of financial position over the past five years.

Directors' report continued

The following table shows the gross revenue, profits and dividends for the last five years for the listed entity, as well as the share price at the end of the respective financial years.

	2010 \$	2011 \$	2012 \$	2013 \$	2014 \$
Revenue ('000)	15,102	20,489	20,993	12,970	5,148
Net (Loss)/ Profit ('000)	1,190	883	(1,003)	(5,466)	(7,583)
Share Price at Year end	0.93	1.54	1.26	0.71	0.32
Dividends Paid ('000)	–	–	–	–	–

All share buy backs were on-market buy backs at market share prices. No premium was returned to shareholders on the shares bought back.

Key Management Personnel

The following persons were key management personnel (KMP) of the Group during the financial year:

	Position Held
Mr. Gerard King	Chairman-Non-executive
Mr. Alexander Brown	President
Mr. Robert Flew	Director- Non-executive
Mr. Ronald McCullough	Director- Non-executive
Mdm Kang Rong	Executive Director- Vice General Manager China
Mr. Mark Coetzee	Project Executive – Senegal
Mr. Joshua Theunissen	Australian Company Secretary
Mr Allen Cauvin	Executive General Manager – Mining (Resigned 31 October 2013)

Shareholdings

Details of equity instruments (other than options and rights) held directly, indirectly, beneficially or potentially beneficially by key management personnel and their related parties are as follows:

	Balance 1/07/2013	Shares (sold) /purchased	Balance 30/06/2014
30 June 2014			
Key Management Personnel			20,993
Mr. Gerard King	49,038	–	49,038
Mr. Alexander Brown	94,183,124	–	94,183,124
Mr. Robert Flew	341,148	–	341,148
Mr. Ronald McCullough	8,000	–	8,000
Mdm Kang Rong	4,000,000	–	4,000,000
Mr. Joshua Theunissen	–	–	–
Total	98,581,310	–	98,581,310

Details of Remuneration

Details of compensation by key management personnel of Astron Corporation Limited Group are set out below:

	Short term benefits		Post-employment benefits			
	Cash, fees salary & commissions \$	Non cash Benefits/ Other \$	Termination Payments \$	Superannuation \$	Total \$	% of remuneration that is performance based
Directors						
Mr. Gerard King	100,000	–	–	20,000	120,000	0%
Mr. Alexander Brown (#1)	496,909	–	–	–	496,909	0%
Mr. Robert Flew	38,920	–	–	21,080	60,000	0%
Mr. Ronald McCullough (#1)	60,000	–	–	–	60,000	0%
Mdm Kang Rong (#1)	380,678	–	–	–	380,678	0%
Other key management personnel						
Mr. Allen Cauvin (#2)	145,096	–	100,000	6,060	251,156	0%
Mr. Mark Coetzee	258,472	15,784	–	–	274,256	0%
Mr. Joshua Theunissen (#1)	90,995	–	–	–	90,995	0%
	1,571,070	15,784	100,000	47,140	1,733,994	

Note reference #:

1. Paid to management company
2. Resigned 31 October 2013 and was paid \$100,000 in lieu of notice

None of the above payments were performance related.

Use of Remuneration Consultants

The Group's Nomination and Remuneration Committee have employed external consultants to to review and to provide recommendations in respect of the amount and elements of executive remuneration, including short-term and long-term incentive plan design.

No remuneration consultants were employed during the year.

Termination Payment

A termination payment of \$100,000 was paid during the year to Allen Cauvin in lieu of notice.

Directors' report continued

	Short term benefits			Post-employment benefits	% of remuneration that is performance based
	Cash, fees salary & commissions \$	Non cash Benefits/ Other \$	Superannuation \$	Total \$	
Directors					
Mr. Gerard King	119,500	–	20,000	139,500	0%
Mr. Alexander Brown (#)	496,909	–	–	496,909	0%
Mr. Robert Flew	39,046	–	20,954	60,000	0%
Mr. Ronald McCullough (#)	60,000	–	–	60,000	0%
Mdm Kang Rong (#)	385,275	–	–	385,275	0%
Other key management personnel					
Mr. Hayden Stockdale (1)	288,749	–	18,750	307,499	0%
Mr. Mark Nielsen (2)	275,452	–	17,350	292,802	0%
Mr. Allen Cauvin	383,530	–	16,470	400,000	0%
Mr. Mark Coetzee	230,042	14,028	–	244,070	0%
Mr. Joshua Theunissen (# 3)	19,993	–	–	19,993	0%
	2,298,496	14,028	93,524	2,406,048	

Note reference:

– paid to management company

1. Resigned 13 March 2013

2. Resigned 31 March 2013

3. Appointed 1 March 2013

Share Based Payment Bonuses

No share based payment bonuses were paid during the current year or the year ended 30 June 2013.

Service Contracts

Service contracts (or letters of engagement) have been entered into by the Group, or are in the process of being entered into, with all key management personnel and executives, describing the components and amounts of remuneration applicable on their initial appointment, including terms, other than non-executives who have long established understanding of arrangements with the Group. These contracts do not fix the amount of remuneration increases from year to year. Remuneration levels are reviewed generally each year by the Remuneration Committee to align with changes in job responsibilities and market salary expectations. There is an arrangement with respect to the services of the President, Alexander Brown, provided by a management company through a 3 year service contract, expiring May 2015, the period of notice required to terminate this contract is twelve months. Other than repayment of loans and management fees there is no further payment required to terminate this contract.

Other key management personnel have ongoing contracts with a notice period of three months for key management personnel. There are no non-standard termination clauses in any of these contracts.

The Remuneration Committee considers the appropriate remuneration requirements. In August 2012, the Group engaged external consultants to review the Group's salary and incentive benchmarks. No consultants were engaged to review Group remunerations during the year ended 30 June 2014.

Indemnifying Officers or Auditors

Insurance premiums paid for Directors

During the year Astron Limited paid a premium of \$37,387 (2013: \$53,288) in respect of a contract insuring Directors, secretaries and executive officers of the company and its controlled entities against a liability incurred as Director, secretary or executive officer. The contract of insurance prohibits disclosure of the nature of the liability.

The company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or any of its controlled entities against a liability incurred as such an officer or auditor.

Voting and comments at the Company's 2013 Annual General Meeting

The Company received 83% of "yes" votes on its remuneration report for the 2013 financial year.

The Company did not receive any specific feedback at the AGM on its remuneration report.

Non-audit services

During the financial year, the following fees for non-audit services were paid or payable to the auditor, Grant Thornton, or their related practices:

	2014 \$	2013 \$
Other Services		
Taxation services	19,100	12,100
Secretarial services	3,850	7,933

The Directors are satisfied that the provision of non-audit services, during the year, by the auditor (or by another person or firm on behalf of the auditor), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

Directors' report continued

On the advice of the audit committee, the Directors are satisfied that the provision of non-audit services by the auditor, as set out above, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the audit committee to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the non-audit services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

Auditors' Independence Declaration

The lead auditors' independence declaration for the year ended 30 June 2014 has been received and can be found on page 15 of the financial report.

Directors' declaration regarding IFRS compliance statement

The Directors' declare that these annual financial statements have been prepared in compliance with International Financial Reporting Standards.

Proceedings on Behalf of Company

No person has applied to the Court for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Signed in accordance with a resolution of Directors:

Director:



Mr. Robert Flew

Dated this 30 September 2014



Gerrard King



Grant Thornton

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Auditor's Independence Declaration To the Directors of Astron Corporation Limited

As lead auditor for the audit of Astron Corporation Limited for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board, in relation to the audit.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

I S Kemp
Partner - Audit & Assurance

Sydney, 30 September 2014

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Astron Corporation Limited

ARBN 154 924 553

Consolidated Statement of Profit or Loss and Other Comprehensive Income For The Year Ended 30 June 2014

	Note	Consolidated	
		2014 \$	2013 \$
Sales revenue	5	1,636,910	7,917,878
Cost of sales		(1,983,546)	(8,295,654)
Gross loss		(346,636)	(377,776)
Interest income	5	3,270,641	4,756,319
Other income	5	240,210	295,414
Distribution expenses		(88,699)	(266,241)
Marketing expenses		(26,434)	(42,761)
Occupancy expenses	6	(143,646)	(203,934)
Administrative expenses	6	(7,418,162)	(8,333,938)
Write down of stock	6	(481,578)	(537,920)
Impairment of available-for-sale financial assets	6	(19,363)	(299,112)
Bad debts provision	6	(1,117,662)	-
Costs associated with Gambian litigation	6	(93,547)	(328,491)
Finance costs		(45,840)	(96,669)
Other expenses	6	(39,742)	(15,520)
(Loss)/profit before income tax expense		(6,310,458)	(5,450,629)
Income tax expense	7	(1,272,948)	(15,014)
Net (loss) for the year		(7,583,406)	(5,465,643)
Other comprehensive profit/ (loss)			
<i>Items that may be reclassified subsequently to profit or loss</i>			
(Decrease)/increase in fair value of available-for-sale financial assets (tax: nil)		242,414	(701,466)
Foreign currency translation differences (tax: nil)		(664,891)	4,004,364
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Increase/(decrease) in share based payment reserve (tax: nil)		-	(125,250)
Other comprehensive income/ (loss) for the year, net of tax		(422,477)	3,177,648
Total comprehensive profit/ (loss) for the year		(8,005,883)	(2,287,995)
(Loss)/profit for the year attributable to:			
Owners of Astron Corporation Limited		(7,583,406)	(5,465,643)
Total comprehensive profit/(loss) for the year attributable to:			
Owners of Astron Corporation Limited		(8,005,883)	(2,287,995)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Astron Corporation Limited

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Consolidated Statement of Profit or Loss and Other Comprehensive Income For The Year Ended 30 June 2014

	Consolidated	
	2014	2013
Note	Cents	Cents
EARNINGS PER SHARE	8	
For (loss)/ profit for the year		
Basic (loss)/ earnings per share (cents per share)	(6.19)	(4.46)
Diluted (loss)/ earnings per share (cents per share)	(6.19)	(4.46)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

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Consolidated Statement of Financial Position

For The Year Ended 30 June 2014

	Note	Consolidated 2014 \$	2013 \$
ASSETS			
Current assets			
Cash and cash equivalents	10	2,905,195	45,790,618
Term deposits greater than 90-days	10	7,220,272	62,333,117
Trade and other receivables	11	1,569,997	5,007,469
Inventories	12	449,780	2,184,447
Available-for-sale financial assets	14	1,206,249	983,198
Current tax assets	22	558,154	282,505
		13,909,647	116,581,354
Assets classified as held for sale	18	6,738,679	-
Total current assets		20,648,326	116,581,354
Non-current assets			
Property, plant and equipment	16	20,850,447	21,091,882
Intangible assets	17	61,182,133	56,247,132
Land use rights	18	2,903,760	10,012,664
Total non-current assets		84,936,340	87,351,678
TOTAL ASSETS		105,584,666	203,933,032
LIABILITIES			
Current liabilities			
Borrowings	20	-	301,909
Trade and other payables	19	2,429,298	1,882,980
Provisions	21	18,546	18,546
Total current liabilities		2,447,844	2,203,435
Non-current liabilities			
Deferred tax liabilities	22	6,309,530	5,036,583
Long-term provisions	21	40,000	40,000
Total non-current liabilities		6,349,530	5,076,583
TOTAL LIABILITIES		8,797,374	7,280,018
NET ASSETS		96,787,292	196,653,014

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Consolidated Statement of Financial Position

For The Year Ended 30 June 2014

EQUITY

Issued capital	23	1,605,048	30,061,919
Reserves	24	5,706,022	6,128,499
Retained earnings		89,476,222	160,462,596
TOTAL EQUITY		96,787,292	196,653,014

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

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Consolidated Statement of Changes in Equity

For The Year Ended 30 June 2014

	Issued Capital	Retained Earnings	Financial Assets Available For Sale Reserve	Foreign Currency Translation Reserve	Total Equity
Year Ended 30 June 2014	\$	\$	\$	\$	\$
Equity as at 1 July 2013	30,061,919	160,462,596	263,185	5,865,314	196,653,014
Loss for the year	-	(7,583,406)	-	-	(7,583,406)
Other comprehensive income					
Increase in fair value of available-for-sale financial assets	-	-	242,414	-	242,414
Exchange differences on translation of foreign operations	-	-	-	(664,891)	(664,891)
Total comprehensive income for the year	-	(7,583,406)	242,414	(664,891)	(8,005,883)
Transactions with owners in their capacity as owners					
Return of capital	(28,456,871)	(63,402,968)	-	-	(91,859,839)
Total of transactions with owners in their capacity as owners	(28,456,871)	(63,402,968)	-	-	(91,859,839)
Equity as at 30 June 2014	1,605,048	89,476,222	505,599	5,200,423	96,787,292

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

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Consolidated Statement of Changes in Equity

For The Year Ended 30 June 2014

	Issued Capital	Retained Earnings	Share-based Payment Reserve	Financial Assets Available For Sale Reserve	Foreign Currency Translation Reserve	Total Equity
Year Ended 30 June 2013	\$	\$	\$	\$	\$	\$
Equity as at 1 July 2012	30,061,919	165,928,239	125,250	964,651	1,860,950	198,941,009
Loss for the year	-	(5,465,643)	-	-	-	(5,465,643)
Other comprehensive income						
Decrease in fair value of available-for-sale financial assets	-	-	-	(701,466)	-	(701,466)
Exchange differences on translation of foreign operations	-	-	-	-	4,004,364	4,004,364
Unvested forfeited rights	-	-	(125,250)	-	-	(125,250)
Total comprehensive income for the year	-	(5,465,643)	(125,250)	(701,466)	4,004,364	(2,287,995)
Transactions with owners in their capacity as owners						
Shares repurchased during the year	-	-	-	-	-	-
Total of transactions with owners in their capacity as owners	-	-	-	-	-	-
Equity as at 30 June 2013	30,061,919	160,462,596	-	263,185	5,865,314	196,653,014

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

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Consolidated Statement of Cash Flows For The Year Ended 30 June 2014

	Note	Consolidated 2014 \$	2013 \$
Cash flows from operating activities:			
Receipts from customers		3,827,692	6,374,033
Payments to suppliers and employees		(8,000,980)	(14,684,366)
Interest received		3,651,188	5,299,763
Interest paid		(45,840)	(96,669)
Income taxes paid		(275,650)	(460,158)
Other income		-	250,441
Net cash outflow from operating activities	28a	(843,590)	(3,316,956)
Cash flows from investing activities:			
Receipt/(Investment) in short term deposits		55,112,846	37,429
Acquisition of property, plant and equipment		(195,535)	(2,264,384)
Construction in works in progress		(3,791,762)	(1,234,738)
Purchase of computer software		-	(115,125)
Capitalised exploration, evaluation expenditure and development costs		(1,253,268)	(7,431,047)
Net cash inflow/(outflow) from investing activities		49,872,281	(11,007,865)
Cash flows from financing activities:			
Return of capital		(91,859,839)	-
Repayment/(advance) of borrowings		(301,909)	301,909
Expenditure on re-domiciliation		-	(170,824)
Net cash (outflow)/ inflow from financing activities		(92,161,748)	131,085
Net decrease in cash held		(43,133,057)	(14,193,736)
Cash and cash equivalents at beginning of the year		45,790,618	58,787,135
Net foreign exchange differences		247,634	1,197,219
Cash and cash equivalents at end of the year	28b	2,905,195	45,790,618

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

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Notes to the Financial Statements

For The Year Ended 30 June 2014

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Notes to the Financial Statements

For The Year Ended 30 June 2014

1. Corporate Information

The consolidated financial statements of Astron Corporation Limited for the year ended 30 June 2014 were authorised for issue in accordance with a resolution of the Directors on 29 September 2014 and relate to the consolidated entity consisting of Astron Corporation Limited and its subsidiaries. Separate financial statements for Astron Corporation Limited as an individual entity are no longer presented.

The financial statements are presented in Australian dollars.

Astron Corporation Limited is a for-profit company limited by shares incorporated in Hong Kong whose shares are publicly traded through CHESS Depository Interests on the Australian Securities Exchange.

2. Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and other authoritative pronouncements of the IASB.

Prior to the re-domiciliation of the Group from Australia to Hong Kong, the consolidated financial statements of Astron Limited for the year ended 30 June 2011 were prepared in accordance with Australian Accounting Standards (AAS) and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). By complying with AAS in the comparative period, the consolidated financial statements also complied with IFRS.

There are no differences between the Astron Corporation Limited's and Astron Limited's accounting policies under AAS and IFRS. All accounting policies have been consistently applied from the prior period.

The financial statements have also been prepared on a historical cost basis, except for investment properties, land and buildings, plant and equipment deemed to be at fair value on transition to IFRS, and available-for-sale financial assets that have been measured at fair value. Non-current assets and disposal groups held for sale are measured at the lower of carrying amounts and fair value less costs to sell.

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements.

(b) Basis of Consolidation

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries as of 30 June 2014. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

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Notes to the Financial Statements

For The Year Ended 30 June 2014

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

(c) Foreign Currency Translation

The functional and presentation currency of Astron Corporation Limited and its Australian subsidiaries is Australian dollars (A\$).

Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period. Foreign exchange gains and losses resulting from settling foreign currency transactions, as well as from restating foreign currency denominated monetary assets and liabilities, are recognised in profit or loss except when they are deferred in other comprehensive income as qualifying cash flow hedges or where they relate to differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined.

The functional currency of the overseas subsidiaries is primarily Chinese Renminbi. The assets and liabilities of these overseas subsidiaries are translated into the presentation currency of Astron Corporation Limited at the closing rate at the end of the reporting period and income and expenses are translated at the weighted average exchange rates for the year. All resulting exchange differences are recognised in other comprehensive income as a separate component of equity (foreign currency translation reserve). On disposal of a foreign entity, the cumulative exchange differences recognised in foreign currency translation reserves relating to that particular foreign operation are recognised in the profit and loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(d) Revenue Recognition

Revenue is recognised at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of products is recognised when the significant risks and rewards of ownership have passed to the buyer i.e. when control of the goods is passed to the buyer.

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Notes to the Financial Statements

For The Year Ended 30 June 2014

Rendering of services

Revenue from the rendering of services such as management fees are recognised upon the rendering of the service to the customers in accordance with the agreements.

Interest

Revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

Rental income

Rental income is accounted for on a straight line basis over the lease term. Contingent rentals are recognised as income in the periods when they are earned.

Government grants

Grants from the government are recognised on receipt. These grants are intended to compensate for tax paid.

(e) Income Tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for all temporary differences, between carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. Exceptions are made for certain temporary differences arising on initial recognition of an asset or a liability if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit.

Deferred tax assets are only recognised for deductible temporary differences and unused tax losses if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interests in joint ventures where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Astron Limited, the wholly owned subsidiary of Astron Corporation Limited, and the Australian subsidiaries wholly owned by Astron Limited have implemented the tax consolidation legislation for the whole of the financial year. Astron Limited is the head entity in the tax consolidated group. The stand-alone taxpayer within a group approach has been used to allocate current income tax expense and deferred tax balances to wholly owned subsidiaries that form part of the tax consolidated group. Astron Limited has assumed all the current tax liabilities and the deferred tax assets arising from unused tax losses for the tax consolidated group via intercompany receivables and payables because a tax funding arrangement has been in place for the whole financial year. The amounts receivable/payable under tax funding arrangements are due upon notification by the head entity, which is issued soon after the end of each financial year. Interim funding notices may also be issued by the head entity to its wholly owned subsidiaries in order for the head entity to be able to pay tax installments. These amounts are recognised as current intercompany receivables or payables.

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Notes to the Financial Statements

For The Year Ended 30 June 2014

(f) Impairment of Assets

At the end of each reporting period the Group assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in the profit and loss where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where it is not possible to estimate recoverable amount for an individual asset, recoverable amount is determined for the cash generating unit to which the asset belongs.

(g) Cash and Cash Equivalents

For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand and at bank, deposits held at call with financial institutions, other short term, highly liquid investments with maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Term deposits with maturity over three months include bank deposits with fixed terms over three months period. For the purpose of the Consolidated Statement of Cash Flows, term deposits with maturity over three months are shown as cash flows from investing activities.

(h) Trade Receivables

Trade receivables are recognised at original invoice amounts less an allowance for uncollectible amounts and have repayment terms between 0 and 90 days. Collectability of trade receivables is assessed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance is made for doubtful debts where there is objective evidence that the Group will not be able to collect all amounts due according to the original terms. Objective evidence of impairment includes financial difficulties of the debtor, default payments or debts more than 180 days overdue. On confirmation that the trade receivable will not be collectible the gross carrying value of the asset is written off against the associated provision.

From time to time, the Group elects to renegotiate the terms of trade receivables due from customers with which it has previously had a good trading history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and are not, in the view of the Directors, sufficient to require the de-recognition of the original instrument.

Receivables from related parties are recognised and carried at the nominal amount due.

(i) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises all direct materials, direct labour and an appropriate portion of variable and fixed overheads. Fixed overheads are allocated on the basis of normal operating capacity. Costs are assigned to inventories using the first in first out basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated selling cost of completion and selling expenses.

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Notes to the Financial Statements

For The Year Ended 30 June 2014

(j) Non-current Assets Classified as Held For Sale

Non-current assets classified as held for sale are those assets whose carrying amounts will be recovered principally through a sale transaction rather than through continuing use. These assets are stated at the lower of their carrying amount and fair value less costs to sell and are not depreciated or amortised. Interest expense continues to be recognised on liabilities of a disposal group classified as held for sale.

An impairment loss is recognised for any initial or subsequent write down of the asset to fair value less costs to sell. A gain is recognised for subsequent increases in fair value less costs to sell of an asset but not exceeding any cumulative impairment losses previously recognised.

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in profit or loss.

(k) Investments and Other Financial Assets

All investments and other financial assets are initially stated at cost, being the fair value of consideration given plus acquisition costs. Purchases and sales of investments are recognised on trade date which is the date on which the Group commits to purchase or sell the asset. Accounting policies for each category of investments and other financial assets subsequent to initial recognition are set out below.

Available-for-sale financial assets

Available-for-sale financial assets comprise investments in listed and unlisted entities and any non-derivatives that are not classified as any other category of financial assets, and are classified as non-current assets (unless management intends to dispose of the investment within 12 months of the end of the reporting period). After initial recognition, these investments are measured at fair value with gains or losses recognised in other comprehensive income (available-for-sale investments revaluation reserve). Where there is a significant or prolonged decline in the fair value of an available-for-sale financial asset (which constitutes objective evidence of impairment) the full amount including any amount previously charged to other comprehensive income is recognised in profit or loss. Purchases and sales of available-for-sale financial assets are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in other comprehensive income. On sale, the amount held in available-for-sale reserves associated with that asset is recognised in profit or loss as a reclassification adjustment. Interest on corporate bonds classified as available-for-sale is calculated using the effective interest rate method and is recognised in finance income in profit or loss.

The fair value of quoted investments are determined by reference to Stock Exchange quoted market bid prices at the close of business at the end of the reporting period. For investments where there is no quoted market price, fair value is determined by reference to the current market value of another instrument which is substantially the same or is calculated based on the expected cash flows of the underlying net asset base of the investment.

Investments in subsidiaries are accounted for in the consolidated financial statements as described in note 2(b).

Loans and receivables

Impairment losses are measured as the difference between the carrying amount and the present value of the estimated future cash flows, excluding future credit losses that have not been incurred. The cash flows are discounted at the investment's original effective interest rate. Impairment losses are recognised in profit or loss.

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Notes to the Financial Statements

For The Year Ended 30 June 2014

Non-current loans and receivables include loans due from related parties repayable within 366 days of the end of the reporting period. These are interest bearing using a market rate of interest for a similar instrument with a similar credit rating. In the case of loans and receivables, objective evidence of impairment includes confirmation that the company will not be able to collect all amounts due according to the original terms.

(l) Fair Values

Fair values may be used for financial asset and liability measurement and well as for sundry disclosures.

Fair values for financial instruments traded in active markets are based on quoted market prices at the end of the reporting period. The quoted market price for financial assets is the current bid price.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

(m) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

All other plant and equipment is stated at historical cost, including costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, less depreciation and any impairments.

Land is not depreciated. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Depreciation on other assets is calculated on a straight line basis over the estimated useful life of the asset as follows:

Class of Asset	
Leasehold Buildings	50 years
Freehold Land	Indefinite
Plant and Equipment	3-20 Years

The assets' residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount and are included in profit or loss in the year that the item is de-recognised.

The cost of fixed assets constructed within the Group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Additional costs incurred on the impaired capital works in progress are expensed in profit or loss.

(n) Leases

Leases where the lessor retains substantially all the risks and rewards of ownership of the net asset are classified as operating leases. Payments made under operating leases (net of incentives received from the lessor) are charged to profit or loss on a straight line basis over the period of the lease.

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Notes to the Financial Statements

For The Year Ended 30 June 2014

(o) Land Use Rights

The upfront prepayments made for land use rights are expensed in profit or loss on a straight line basis over the period of the lease or, when there is impairment, it is expensed immediately. The period of the lease is 50 years.

(p) Intangibles

Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is capitalised if the product or service is technically feasible, adequate resources are available to complete the project, it is probable that future economic benefits will be generated and expenditure attributable to the project can be measured reliably. Expenditure capitalised comprises costs of services and direct labour. Other development costs are expensed when they are incurred. The carrying value of development costs is reviewed annually when the asset is not yet available for use, or when events or circumstances indicate that the carrying value may be impaired.

The project is in the development phase and hence no amortisation has been brought to account. An amortisation policy has yet to be determined.

Water rights

The Group has capitalised Water Rights. The water rights are amortised over the term of the right. The carrying value of water rights is reviewed annually or when events or circumstances indicate that the carrying value may be impaired.

(q) Exploration and Evaluation Expenditure

(i) Costs carried forward

Costs arising from exploration and evaluation activities are carried forward provided that the rights to tenure of the area of interest are current and such costs are expected to be recouped through successful development, or by sale, or where exploration and evaluation activities have not, at reporting date, reached a stage to allow a reasonable assessment regarding the existence of economically recoverable reserves. Expenditure incurred is accumulated in respect of each identifiable area of interest.

(ii) Costs abandoned area

Costs carried forward in respect of an area of interest that is abandoned are written off in the year in which the decision to abandon is made.

(iii) Regular review

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

(iv) Costs of site restoration

Costs of site restoration are to be provided once an obligation presents. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal and rehabilitation of the site in accordance with clauses of the mining permits. Such costs will be determined using estimates of future costs, current legal requirements and technology on a discounted basis.

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Notes to the Financial Statements

For The Year Ended 30 June 2014

(r) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the reporting period and which are unpaid. These amounts are unsecured and have 30 to 90 day payment terms.

Payables to related parties are carried at the principal amount.

(s) Borrowings

All loans and borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the loans and borrowings using the effective interest method.

All borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

(t) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(u) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that that an outflow of economic resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(v) Employee Benefit Provisions

Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the end of the reporting period are recognised in respect of employees' services rendered up to the end of the reporting period and measured at amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable. Liabilities for wages and salaries and annual leave are included as part of Other Payables.

Bonus plan

The Group recognises an expense and a liability for bonuses when the entity is contractually obliged to make such payments or where there is past practice that has created a constructive obligation.

Retirement benefit obligations

The Group contributes to employee superannuation funds in accordance with its statutory obligations. Contributions are recognised as expenses as they become payable.

(w) Issued Capital

Ordinary shares are classified as equity.

Costs directly attributable to the issue of new shares are shown as a deduction from the equity proceeds, net of any income tax benefit. Costs directly attributable to the issue of new shares associated with the acquisition of a business are included as part of the purchase consideration.

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Notes to the Financial Statements

For The Year Ended 30 June 2014

(x) Share Based Payments

The Group may provide benefits to employees (including Directors) of the Group in the form of share based payment transactions, whereby employees render services in exchange for shares ("equity settled transactions"). Such equity settled transactions are at the discretion of the Remuneration Committee. To date, no such equity settled transactions have been undertaken.

The fair value of options or rights granted is recognised as an employee benefit expense with a corresponding increase in equity (share-based payment reserve). The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options. Fair value is determined using a Black-Scholes option pricing model. In determining fair value, no account is taken of any performance conditions other than those related to the share price of Astron Corporation Limited ("market conditions"). The cumulative expense recognised between grant date and vesting date is adjusted to reflect the Directors' best estimate of the number of options or rights that will ultimately vest because of internal conditions of the options or rights, such as the employees having to remain with the Group until vesting date, or such that employees are required to meet internal KPI. No expense is recognised for options or rights that do not ultimately vest because internal conditions were not met. An expense is still recognised for options or rights that do not ultimately vest because a market condition was not met.

Where the terms of options or rights are modified, the expense continues to be recognised from grant date to vesting date as if the terms had never been changed. In addition, at the date of the modification, a further expense is recognised for any increase in fair value of the transaction as a result of the change.

Where options are cancelled, they are treated as if vesting occurred on cancellation and any unrecognised expenses are taken immediately to profit or loss. However, if new options are substituted for the cancelled options or rights and designated as a replacement on grant date, the combined impact of the cancellation and replacement are treated as if they were a modification.

When shareholders' approval is required for the issuance of options or rights, the expenses are recognised based on the grant-date fair value according to the management estimation. This estimate is re-assessed upon obtaining formal approval from shareholders.

(y) Dividends/Return of Capital

No dividends were paid or proposed for the years ended 30 June 2014 and 30 June 2013. There is no Dividend Reinvestment Plan in operation. On 28 May 2014 the Company announced the completion of a return of capital whereby a distribution and equal return of capital to all shareholders of \$0.75 per ordinary share was undertaken. The Company previously made a tax free capital gain from the sale of its China processing companies to Imerys in 2008 and the Board decided that it is now the appropriate time to make a return of capital to shareholders from the prior year's tax free capital profit.

(z) Segment Reporting

Segment revenues, expenses, assets and liabilities are those that are directly attributable to a segment and the relevant portion that can be allocated to the segment on a reasonable basis. Segment assets include all assets used by a segment and consist primarily of operating cash, receivables, inventories, property, plant and equipment and other intangible assets. Segment liabilities consist primarily of trade and other creditors, employee benefits and provisions.

(aa) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of Astron Corporation Limited by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares during the year.

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Diluted earnings per share

Earnings used to calculate diluted earnings per share are calculated by adjusting the basic earnings by the after tax effect of dividends and interest associated with dilutive potential ordinary shares. The weighted average number of shares used is adjusted for the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

(bb) Goods and Services Tax (GST)

Revenues, expenses are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(cc) Change in Accounting Policy - new and revised standards that are effective for these financial statements

A number of new and revised standards are effective for annual periods beginning on or after 1 July 2013. Information on these new standards is presented below.

IAS 10 Consolidated Financial Statements

IAS 10 supersedes IAS 127 *Consolidated and Separate Financial Statements* (IAS 127) and IAS Interpretation 112 *Consolidation - Special Purpose Entities*. IAS 10 revises the definition of control and provides extensive new guidance on its application. These new requirements have the potential to affect which of the Group's investees are considered to be subsidiaries and therefore to change the scope of consolidation. The requirements on consolidation procedures, accounting for changes in non-controlling interests and accounting for loss of control of a subsidiary are unchanged.

Management has reviewed its control assessments in accordance with IAS 10 and has concluded that there is no effect on the classification (as subsidiaries or otherwise) of any of the Group's investees held during the period or comparative periods covered by these financial statements.

IAS 11 Joint Arrangements

IAS 11 supersedes IAS 131 *Interests in Joint Ventures* (AAS 131) and IAS Interpretation 113 *Jointly Controlled Entities- Non-Monetary-Contributions by Venturers*. IAS 11 revises the categories of joint arrangement, and the criteria for classification into the categories, with the objective of more closely aligning the accounting with the investor's rights and obligations relating to the arrangement. In addition, IAS 131's option of using proportionate consolidation for arrangements classified as jointly controlled entities under that Standard has been eliminated. IAS 11 now requires the use of the equity method for arrangements classified as joint ventures (as for investments in associates).

Management has reviewed IAS 11 and has concluded that there is no effect on the period or comparative periods covered by these financial statements.

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IAS 12 Disclosure of interests in Other Entities

IAS 12 integrates and makes consistent the disclosure requirements for various types of investments, including unconsolidated structured entities. It introduces new disclosure requirements about the risks to which an entity is exposed from its involvement with structured entities.

Management has reviewed IAS 12 and has concluded that there is no effect on the period or comparative periods covered by these financial statements.

IAS 13 Fair Value Measurement

IAS 13 clarifies the definition of fair value and provides related guidance and enhanced disclosures about fair value measurements. It does not affect which items are required to be fair-valued. IAS 13 applies prospectively for annual periods beginning on or after 1 January 2014. IAS 13 requires certain new disclosures in the financial statements.

The Group has applied IAS 13 for the first time in the current year.

Amendments to IAS 119 Employee Benefits

IAS 119 makes a number of changes to the accounting for employee benefits, the most significant relating to defined benefit plans and employee benefits being 'expected to be settled wholly' (as opposed to 'due to be settled' under the superseded version of IAS 119) where within 12 months after the end of the reporting period they reported as short-term benefits, and are therefore not discounted when calculating leave liabilities while annual leave for all employees not expected to be used wholly within 12 months of the end of reporting period, is included in 'other long-term benefit' and discounted when calculating the leave liability.

Management has reviewed IAS 119 and has concluded that there is no effect on the period or comparative periods covered by these financial statements.

The group has adopted all of the new and revised Standards and Interpretations issued by the Australian Standards Board (the AASB) that are relevant to their operations and effective for the current reporting period.

None of the new standards and amendments that are mandatory for the first time for the financial year beginning 1 July 2013 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

(dd) Standards Issued but not yet Effective

The following amended accounting standards and interpretations have been issued, but are not mandatory for financial years ended 30 June 2014. They have not been adopted in preparing the financial statements for the year ended 30 June 2014 and are expected to impact the entity in the period of initial application. In all cases the entity intends to apply these standards from application date as indicated in the table below.

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New/revised pronouncement	Nature of Change	Application date:	Impact on Initial Application
IAS 9 <i>Financial Instruments</i>	<p>IAS 9 introduces new requirements for the classification and measurement of financial assets and liabilities.</p> <ul style="list-style-type: none"> Financial assets that are debt instruments will be classified based on (i) the objective of the entity's business model for managing the financial assets; and (ii) the characteristics of the contractual cash flows. Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income (instead of in profit or loss). Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument. Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases. Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows: <ul style="list-style-type: none"> The change attributable to changes in credit risk are presented in other comprehensive income (OCI); and The remaining change is presented in profit or loss. <p>Otherwise, the following requirements have generally been carried forward unchanged from IAS 139 into IAS 9:</p> <ul style="list-style-type: none"> Classification and measurement of financial liabilities; and Derecognition requirements for financial assets and liabilities. <p>IAS 9 requirements regarding hedge accounting represent a substantial overhaul of hedge accounting that will enable entities to better reflect their risk management activities in the financial statements.</p>	Effective from 1 January 2018	<i>The entity has not yet assessed the full impact of AASB 9 as this standard does not apply mandatorily before 1 January 2018.</i>
IAS 2013-3 <i>Recoverable Amount Disclosures for Non-Financial Assets</i>	<p>These narrow-scope amendments address disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.</p> <p>When developing IAS 13 <i>Fair Value Measurement</i>, the IASB decided to amend IAS 36 <i>Impairment of Assets</i> to require disclosures about the recoverable amount of impaired assets. The IASB noticed however that some of the amendments made in introducing those requirements resulted in the requirement being more broadly applicable than the IASB had intended. These amendments to IAS 36 therefore clarify the IASB's original intention that the scope of those disclosures is limited to the recoverable amount of impaired assets that is based on fair value less costs of disposal.</p> <p>IAS 2013-3 makes the equivalent amendments to IAS 136 <i>Impairment of Assets</i>.</p>	Effective from 1 January 2014	<i>When these amendments are first adopted for the year ending 30 June 2015, they are unlikely to have any significant impact on the entity given that they are largely of the nature of clarification of existing requirements.</i>
IAS 15 <i>Revenue from Contracts with Customers</i>	<p>IAS 15:</p> <ul style="list-style-type: none"> replaces IAS 18 Revenue, IAS 11 Construction Contracts and some revenue-related Interpretations establishes a new control-based revenue recognition model changes the basis for deciding whether revenue is to be recognised over time or at a point in time provides new and more detailed guidance on specific topics (e.g., multiple element arrangements, variable pricing, rights of return, warranties and licensing) expands and improves disclosures about revenue 	Effective from 1 January 2017	<i>The entity has not yet assessed the full impact of this Standard.</i>

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New/revised pronouncement	Nature of Change	Application date:	Impact on Initial Application
<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i> (Amendments to IAS 16 and IAS 38)	<p>The amendments to IAS 16 prohibit the use of a revenue-based depreciation method for property, plant and equipment. Additionally, the amendments provide guidance in the application of the diminishing balance method for property, plant and equipment.</p> <p>The amendments to IAS 38 present a rebuttable presumption that a revenue-based amortisation method for intangible assets is inappropriate. This rebuttable presumption can be overcome (i.e. a revenue-based amortisation method might be appropriate) only in two limited circumstances:</p> <ul style="list-style-type: none"> the intangible asset is expressed as a measure of revenue, for example when the predominant limiting factor inherent in an intangible asset is the achievement of a revenue threshold (for instance, the right to operate a toll road could be based on a fixed total amount of revenue to be generated from cumulative tolls charged); or when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated. 	Effective from 1 January 2016	<i>When these amendments are first adopted for the year ending 30 June 2017, there will be no material impact on the transactions and balances recognised in the financial statements.</i>

3. Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events based on current trends and economic data, obtained both externally and within the Group.

i. Key estimates: Impairment

The Group assesses impairment at the end of each reporting period by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value in use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Impairment has been recognised in respect of the Group's costs incurred in developing the Senegal project and the TiO₂ project (note 17(b)), capital works in progress (note 16), the impairment of available-for-sale investments (note 14) and prepayments (note 11) in terms of the relevant accounting standards.

ii. Capitalisation of Exploration and Evaluation Assets

The Group has continued to capitalise expenditure, in terms of IFRS 6, incurred on the exploration and evaluation of the Donald Mineral Sands project in Victoria, Australia. This has been done as the technical feasibility and economic viability of extracting the mineral resources is not demonstrable. The Group has assessed that the balances capitalised will be recoverable through the projects successful development (refer note 17 for further details).

iii. Deferred Tax Assets

Deferred tax assets have not been recognised for capital losses and China revenue losses as the utilisation of these losses is not considered probable at this stage.

iv. Available-for sale Financial Assets

Available-for-sale financial assets have been classified as current assets as it is the Group's intention to dispose of these assets within one year.

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4. Segment Information

i. Description of Segments

The Group has adopted IAS 8 *Operating Segments* from whereby segment information is presented using a 'management approach', i.e. segment information is provided on the same basis as information used for internal reporting purposes by the Managing Director/President (chief operating decision maker) who monitors the segment performance based on the net profit before tax for the period. Operating segments have been determined on the basis of reports reviewed by the Managing Director/President who is considered to be the chief operating decision maker of the Group. The reportable segments are as follows:

- Senegal: Development of the Niafarang mine
- Donald Mineral Sands: Development of the Donald Mineral Sands mine
- Titanium: Development of mineral processing plant and mineral trading
- Mineral Resources: Mineral trading and construction of the mineral separation plant
- Other: Group treasury and head office activities

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ii. Information provided to the Managing Director /President

30 June	Donald Mineral Sands		Titanium		Mineral Resources		Senegal		Other		Consolidated	
	Jun-14	Jun-13	Jun-14	Jun-13	Jun-14	Jun-13	Jun-14	Jun-13	Jun-14	Jun-13	Jun-14	Jun-13
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue from external customers												
Sales	-	-	152	834,805	1,636,758	7,083,073	-	-	-	-	1,636,910	7,917,878
Interest revenue	637	1,915	289	10,540	561	3,140	-	-	3,269,154	4,740,724	3,270,641	4,756,319
Rent/Other Income	183,230	14,510	5,703	14,510	51,187	51,187	-	-	-	-	240,210	295,414
Total revenue	183,957	164,105	6,144	859,855	1,688,506	7,211,245	-	-	3,269,154	4,734,406	5,147,761	12,969,611
Segment result												
Segment (loss) / profit	183,957	164,105	(1,903,887)	(944,410)	(3,201,583)	(3,855,818)	-	-	(1,388,945)	(814,506)	(6,310,458)	(5,450,629)
Impairment losses	-	-	-	-	-	-	-	-	19,363	299,112	19,363	299,112
Acquisition of PPE, Intangible assets and other non-current segment assets	5,310,807	8,565,145	328,422	1,154,530	210,474	489,792	1,388,995	852,306	-	118,695	7,238,698	11,180,468
Depreciation and amortisation	1,921,916	94,689	146,988	230,511	270,494	286,268	13,935	11,937	124,308	9,992	2,477,641	633,397

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30 June	Donald Mineral Sands		Titanium		Mineral Resources		Senegal		Other		Consolidated	
	Jun-14	Jun-13	Jun-14	Jun-13	Jun-14	Jun-13	Jun-14	Jun-13	Jun-14	Jun-13	Jun-14	Jun-13
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Assets												
Segment assets	63,103,716	59,530,852	16,503,857	18,004,928	10,437,497	14,657,321	3,453,681	1,830,170	12,085,915	109,909,761	105,584,666	203,933,032
Total	63,103,716	59,530,852	16,503,857	18,004,928	10,437,497	14,657,321	3,453,681	1,830,170	12,085,915	109,909,761	105,584,666	203,933,032
Liabilities												
Segment liabilities	7,156,181	5,285,670	61,583	86,167	521,527	647,166	9,910	29,848	1,048,173	1,231,167	8,797,374	7,280,018
Total	7,156,181	5,285,670	61,583	86,167	521,527	647,166	9,910	29,848	1,048,173	1,231,167	8,797,374	7,280,018

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iii. Geographical Information

Although the Group is managed globally, it operates in the following main geographical areas:

Hong Kong

The home country of the parent entity.

Australia

The home country of Astron Limited and one of the operating subsidiaries which performs evaluation and exploration activities. Interest and rental income is derived from Australian sources.

China

The home country of subsidiaries which operate in the mineral trading and downstream development segment.

	Sales revenues		Interest revenue		Non-current assets	
	2014	2013	2014	2013	2014	2013
	\$	\$	\$	\$	\$	\$
Australia	-	-	3,269,778	4,742,415	65,710,682	61,192,833
China	1,636,910	7,917,878	851	13,680	18,619,025	25,876,205
Other countries	-	-	12	224	606,633	282,640
	1,636,910	7,917,878	3,270,641	4,756,319	84,936,340	87,351,678

During 2014 \$1,459,985 or 89% (2013: \$6,233,285 or 81%) of the revenue depended on two (2013: four) customers.

5. Revenue and Other Income

	Consolidated	
	2014	2013
	\$	\$
Continuing operations		
Revenue		
- sale of goods	1,636,910	7,917,878
- interest income	3,270,641	4,756,319
Total revenue	4,907,551	12,674,197
Other income: continuing operations		
- gains on foreign exchange	-	45,782
- rental income	183,320	162,190
- other income	56,890	87,442
Total other income	240,210	295,414

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6. Profit (Loss) Before Income Tax

- i. *Profit (loss) before income tax includes the following specific expenses:*

	Consolidated	
	2014	2013
	\$	\$
Interest Paid	45,840	96,669
Foreign currency translation losses	-	(45,782)
Premises-contractual amounts	143,646	203,934
Research and development costs	885,385	1,391,544
Depreciation and amortization	541,790	526,771
Defined benefit superannuation	152,782	169,170
Employee benefits	1,713,436	2,026,014
Bad debt expense – Trade receivables	1,117,662	-
Impairment of available-for sale investments (note 14)	19,363	299,112
Costs associated with Gambia and Senegal Investments (note 13)	93,547	328,491
Costs associated with project development expenditure		
Write down of inventory (note 12)	481,578	537,920
Impairment of prepayments		
Costs relating to re-domiciliation	-	10,586

7. Income Tax Expense

- i. *The components of tax expense comprise:*

	Consolidated	
	2014	2013
	\$	\$
Current tax expense in respect of current year	-	-
Adjustments recognised in the current year in relation to the prior year	532,940	(43,368)
Recognition of current year movements	740,008	58,382
Total	1,272,948	15,014

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ii. The prima facie tax on profit before income tax is reconciled to the income tax as follows:

	Consolidated	
	2014	2013
	\$	\$
Prima facie tax payable on profit 30% (2013: 30%)		
- continuing operations	(1,893,137)	(1,635,189)
	(1,893,137)	(1,635,189)
Add/(Less) Tax effect of:		
- non-deductible Gambia	26,701	97,197
- other non-deductible items	303,283	420,642
- deferred tax asset not recognized for China and Hong Kong losses	2,763,794	1,388,933
- under provision for income tax in prior year	532,940	(43,368)
- impact of overseas tax differential	(460,633)	(213,111)
Income tax attributable to entity	1,272,948	15,014

The applicable weighted average effective tax rates are as follows:

(73.0)% (0.3)%

The decrease in the weighted average effective consolidated tax rate for 2014 is mainly the result of increased non deductible and other operating losses.

iii. Income tax rates

Australia

In accordance with the Australian Income Tax Act, Astron Limited and its 100% owned Australian subsidiaries have formed a tax consolidated group, tax funding or sharing agreements have been entered into. Australia has a double tax agreement with China and there are currently no impediments to repatriating profits from China to Australia. Dividends paid to Astron Limited from Chinese subsidiaries are non-assessable under current Australian Income Tax Legislation.

China (including Hong Kong)

Astron Corporation Limited is subject to Hong Kong tax law.

The Group's subsidiaries in China and are subject to Chinese income tax laws.

Chinese taxation obligations have been fully complied with, confirmed by regular audits completed by the Chinese tax authorities.

iv. Items not chargeable or not deductible for tax purposes

Items not chargeable or deductible for tax purposes for the Group principally represent costs associated with the Gambian litigation.

v. Tax on other comprehensive items

No deferred tax liabilities have been recognized in relation to available for sale financial assets reserve due to the existence of significant capital losses. Accordingly, no movement in income tax is recorded in current or prior financial years. No tax is applicable to other comprehensive item: foreign currency translation differences and share based payments reserve.

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8. Earnings Per Share

i. Reconciliation of earnings used in the calculation of earnings per share to loss/(profit):

	Consolidated	
	2014	2013
	\$	\$
(Loss)/profit attributable to owners	(7,583,406)	(5,465,643)
(Loss)/earnings used to calculate basic EPS	(7,583,406)	(5,465,643)
(Loss)/earnings used in calculation of dilutive EPS	(7,583,406)	(5,465,643)

ii. Weighted average number of ordinary shares (diluted):

	Consolidated	
	2014	2013
	\$	\$
Weighted average number of ordinary shares outstanding during the year		
- used in calculating basic EPS	122,479,784	122,479,784
Weighted average number of ordinary shares outstanding during the year		
- used in calculating dilutive EPS	122,479,784	122,479,784

iii. Dilutive shares

There were no shares issued under escrow at or post year end. There were no rights or options for shares outstanding at year-end.

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9. Auditors' Remuneration

	Consolidated	
	2014	2013
	\$	\$
Audit and review of financial statements		
Grant Thornton	149,643	153,762
Other auditors	-	-
	149,643	153,762
Other services – other auditors		
- taxation services	19,100	12,100
- other services	3,850	7,933

10. Cash and Cash Equivalents

	Consolidated	
	2014	2013
	\$	\$
Cash on hand	5,247	7,004
Current & call account balances	1,657,315	11,590,592
Short term deposits	1,242,633	34,193,022
Total	2,905,195	45,790,618

Cash on hand is non-interest bearing. Bank balances and short term deposits at call bear floating interest rates between 0.0% and 4.75% (2013: 0.0% and 4.07%). Deposits have an average maturity of 90 days (2013: 90 days). Bank balances included letter of credit deposits of \$0 as at 30 June 2014 (2013: \$0).

a) Geographic concentration of risk

	Consolidated	
	2014	2013
	\$	\$
Australia	2,740,329	38,104,226
China	79,609	7,659,434
Hong Kong	2,467	-
USA	46,963	-
United Kingdom	27,309	12,188
Senegal	8,518	14,770
Total	2,905,195	45,790,618

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b) Concentration of risk by bank

	Consolidated	
	2014	2013
	\$	\$
Australia		
Commonwealth Bank-S&P rating of AA- (2013:AA-)	1,320,648	28,542,760
Goldman Sachs JB Were-A- (2013:A-)	80,695	78,702
Westpac Bank-S&P rating of AA- (2013:AA-)	1,998	7,248,004
Bank of China-S&P rating of A (2013:A)	1,126,704	2,164,467
Other Australian banks	210,046	70,056
	2,740,091	38,103,989
China		
Bank of China-S&P rating of A (2013:A)	74,600	361,458
Construction Bank-S&P rating of A (2013:A)	-	106,551
China Merchant Bank-S&P rating of BBB+	-	7,160,278
Shanghai Pudong Development Bank – unrated	-	3,731
Other Chinese banks	-	20,649
	74,600	7,652,667
Other countries		
Other banks	85,257	26,958
	85,257	26,958

Term deposits greater than 90 days

	Consolidated	
	2014	2013
	\$	\$
Term deposits with maturity over 90 days	7,220,272	62,333,117

As at 30 June 2014, term deposits with maturity over 90 days of \$7,220,272 (2013: 62,333,117) bear fixed interest rates of 3.0% to 4.75% (2013: 3.85% to 4.07%) and have a maturity of 3-6 months.

c) Geographic concentration of risk

	Consolidated	
	2014	2013
	\$	\$
Australia	7,220,272	62,333,117

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d) Concentration of risk by bank

	Consolidated	
	2014 \$	2013 \$
Australia		
Commonwealth Bank-S&P rating of AA- (2013:AA-)	50,000	12,880,093
Westpac Bank –S&P rating of AA- (2013:AA-)	-	20,504,110
Bank of China-S&P rating of A (2013: A)	7,160,272	28,948,914
Other	10,000	-
	7,220,272	62,333,117

11. Trade and Other Receivables

	Note	Consolidated	
		2014 \$	2013 \$
Current			
Trade debtors	11(b)(c)	91,970	3,027,627
Net trade debtors		91,970	3,027,627
Drafts and other receivables	11(a)	1,149,927	893,985
Prepayments	11(d)	638,890	1,403,917
Impairments	11(d)	(310,790)	(318,060)
Net prepayments		328,100	1,085,857
Total		1,569,997	5,007,469

(a) Drafts and other receivables

This amount includes drafts receivable which are bank guarantees on behalf of trade and other debtors with current maturity dates. Settlement through bank draft is common trading practice in China. All the drafts are with the counterparties in China. There is no industry concentration of risk in respect to these drafts.

(b) Ageing analysis

The ageing analysis of trade receivables is as follows:

	Consolidated	
	2014 \$	2013 \$
0-30 days (not past due)	-	65,733
31-60 days (past due not impaired)	-	227,530
61-90 days (past due not impaired)	-	915,352
91+ days (past due not impaired)	91,970	1,819,012
Total	91,970	3,027,627

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At the end of the reporting period the Group's trade debtors are predominantly receivable from Chinese trading partners. The Chinese debtors are regularly reviewed and as is common practice in China the terms maybe extended without which there would be overdue balances. Where applicable the Group has impaired significantly overdue receivables.

It is the Group's policy that where possible that sales are made in exchange for notes (guaranteed by a Chinese bank) minimizing the Group's exposure to an impairment issue.

(c) *Prepayments*

At year end the Group had made advances to suppliers for inventory purchases to secure the inventory at favourable prices.

Included in prepayments is an amount of \$310,790 (2013: \$318,060) which is the prepayment for construction. This amount has been impaired due to low possibility of collection.

12. Inventories

	Consolidated	
	2014 \$	2013 \$
Raw materials	341,504	1,314,915
Finished goods – at cost	-	8,687
Finished goods – at net realisable value	108,216	860,845
Total finished goods	108,216	869,532
Goods in transit	60	-
Total	449,780	2,184,447

There has been a write down of inventory of \$481,578 to net realisable value in the current financial year (2013: \$537,920).

13. Investments in Gambia and Senegal

Carnegie Minerals (Gambia) Limited is a 100% subsidiary of Astron Limited. It was incorporated to commence mining activities in Gambia. The investments and receivables associated with the company have been impaired in full. The original agreement prior to the seizure of the assets was that Astron Limited had an obligation to fund the development and operating costs of the mine by way of loans.

Development on the Niarang project in Senegal in current financial year (and in 2013) has been capitalized to development cost.

Furthermore, expenditure in 2014 of \$93,547 (2013: \$328,491) relating to Gambia litigation claim has been expensed directly to profit and loss.

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14. Available-For-Sale Financial Assets

	Consolidated	
	2014	2013
	\$	\$
Listed Securities		
Current listed investments, at fair value		
shares in listed corporations	1,206,249	983,198
Total available-for-sale financial assets	1,206,249	983,198

Available-for-sale financial assets comprise investments in the ordinary issued capital of four public companies listed on the Australian Securities Exchange (ASX). The cost of these investments was \$2,435,302. There are no fixed returns or fixed maturity date attached to these investments. In the current financial year the combined market value of these investments has increased by \$223,051 from 30 June 2013. \$242,414 of the increase in market value of these investments has been netted off against the Financial Assets Available for Sale Reserve, under IAS 139, in the consolidated statement of financial position and an amount of \$19,363 (2013: \$299,112) was recorded in the profit or loss as an impairment.

There will be no capital gains tax payable on the sale of these assets due to existing capital losses carried forward.

For listed equity securities and preference shares, fair value is determined by reference to closing bid prices on the ASX.

15. Subsidiaries

Financial Year 2014	Country of incorporation	Percentage Owned Ordinary Shares 2014	Percentage Owned Ordinary Shares 2013
Parent entity			
Astron Corporation Limited	Hong Kong		
Subsidiaries of parent entity			
Astron Limited	Australia	100	100
Astron Advanced Materials Limited	UK	100	100
Astron Mineral Sands Pty Limited	Australia	100	100
Astron Titanium (Yingkou) Co Ltd	China	100	100
Carnegie Minerals (Gambia) Limited	The Gambia	100	100
Camden Sands Inc	USA	100	-
Coast Resources Limited	Isle of Man	100	100
Dickson & Johnson Pty Limited	Australia	100	100
Donald Mineral Sands Pty Ltd	Australia	100	100
Sovereign Gold NL	Australia	100	100
WIM 150 Pty Limited	Australia	100	100
Yingkou Astron Mineral Resources Co Ltd	China	100	100
Astron Senegal Holding Pty Ltd	Hong Kong	100	100
Senegal Mineral Sands Ltd	Hong Kong	100	100
Zirtanium Pty Limited	Australia	100	100

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All the above entities became the subsidiaries of the parent company following the completion of the Group restructure as set out in Note 2(b) except Camden Sands Inc which was incorporated in the current year.

i. Equity

The proportion of ownership interest is equal to the proportion of voting power held.

ii. Disposal of subsidiaries

During the current year and prior years no subsidiaries were disposed of or wound up.

16. Property, Plant and Equipment

	Consolidated	
	2014 \$	2013 \$
Land and buildings		
Land		
At cost	5,254,000	5,248,417
Total land	5,254,000	5,248,417
Leasehold buildings		
At cost	2,314,893	2,369,046
Less accumulated depreciation	(369,613)	(337,538)
Less accumulated impairment losses	-	-
Total leasehold buildings	1,945,280	2,031,508
Total land and buildings	7,199,280	7,279,925
Plant and equipment and works in progress		
Capital works in progress		
At cost	14,942,658	14,676,709
Less accumulated impairment losses	(2,017,372)	(1,812,116)
Total capital works in progress	12,925,286	12,864,593
Plant and equipment		
At cost	2,348,432	2,258,414
Less accumulated depreciation	(1,622,551)	(1,311,050)
Total plant and equipment	725,881	947,364
Total plant and equipment and works in progress	13,651,167	13,811,957
Total property, plant and equipment	20,850,447	21,091,882

(a) Assets pledged as security

As at 30 June 2014 and 30 June 2013 there were no mortgages granted as security over bank loans.

(b) Capital works in progress

Capital works in progress are not ready for use and not yet being depreciated.

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(c) *Movements in carrying amounts*

Movement in the carrying amount for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Consolidated				
	Capital works in progress \$	Land \$	Buildings \$	Plant and equipment \$	Total \$
Year ended 30 June 2014					
Balance at the beginning of year	12,864,593	5,248,417	2,031,508	947,364	21,091,882
Additions	354,761	5,583	-	189,952	550,296
Depreciation expense	-	-	(40,886)	(341,437)	(382,323)
Foreign exchange movements	(294,068)	-	(45,342)	(69,998)	(409,406)
Carrying amount at the end of year	12,925,286	5,254,000	1,945,280	725,881	20,850,448
Year ended 30 June 2013					
Balance at the beginning of year	10,420,090	3,555,982	1,825,953	903,365	16,705,390
Additions	1,234,738	1,692,435	-	232,413	3,159,586
Depreciation expense	-	-	(35,766)	(398,934)	(434,700)
Transfers	(155,277)	-	-	155,277	-
Expense to R & D	(40,364)	-	-	-	(40,364)
Disposal	-	-	-	(5,797)	(5,797)
Foreign exchange movements	1,405,406	-	241,321	61,040	1,707,767
Carrying amount at the end of year	12,864,593	5,248,417	2,031,508	947,364	21,091,882

(d) *Impairment of capital works in progress*

No impairment loss has been recognised in profit or loss during the year (2013: \$Nil).

(e) *Land acquisition*

Included in the land cost was \$5,583 (2013: \$1,692,435) being the residual acquisition costs on the land acquired in 2013 in Victoria for the Donald Project.

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17. Intangible Assets

		Consolidated	
	Note	2014 \$	2013 \$
Development costs			
Cost	18(b)	11,168,022	9,360,224
Accumulated impairment loss	18(b)	(7,553,253)	(7,329,855)
Net carrying value	18(d)	3,614,769	2,030,369
Exploration expenditure capitalised			
Exploration and evaluation phases	18(a)(c)	41,241,546	35,942,139
Net carrying value		41,241,546	35,942,139
Water rights	18(a)(d)		
Net carrying value		16,128,311	17,958,613
Computer software	18(a)(e)		
Net carrying value		197,507	316,011
Total Intangibles	18(f)	61,182,133	56,247,132

(a) Intangible assets

Movements during the year ended 30 June 2014 in intangible assets represent additions, movements in foreign exchange and amortisation. For capital expenditure commitments refer note 27(b).

(b) Development costs and impairment losses

The development costs of \$11,168,022 (2013: \$9,360,244) and the accumulated impairment of \$7,553,253 (2013: \$7,186,598) as at 30 June 2014 relates to the following:

1. TiO2 project cost of \$7,801,584 (2013: \$7,801,584) was fully impaired in 2009. The current year movement represents the movement in foreign exchange.
2. The Senegal project of \$3,785,352 (2013: \$2,194,974) represents development costs incurred in Senegal. This was netted off by an impairment of \$426,121 which was carried forward from prior years and shifted due to the movement in foreign exchange. That costs incurred in the prior years were fully impaired due to doubt as to whether the project will continue at that time. The current year additions represented the resumption of activities following the grant of the exploration license in June 2011.
3. The remaining balance of \$255,538 (2013: \$261,516) relates to capitalised testing and design fees for the MSP. The current year movement represents the movement in foreign exchange.

(c) Exploration and evaluation expenditure

This expenditure relates to the Group's investment in the Donald Mineral Sands Project. As at 30 June 2014 the Group has complied with the conditions of the granting of EL4432, EL4433, EL5255, EL5263, EL5186, EL5261, EL5262, EL5354, EL5472 and ML5532. As such the Directors believe that the tenements are in good standing with the Department of Primary Industries in Victoria, who administers the Mineral Resources Development Act 1990.

The recoverability of the carrying amount of the exploration and evaluation assets is dependent upon the successful development and commercial exploitation or alternatively sale of the area of interest.

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(d) Purchase of software

In the current year the Group continued with the implementation of a new enterprise resource planning system. The computer software balance represents the software and installation cost of the first phase of this system.

(e) Movement in net carrying value

	Consolidated				
	Exploration and Evaluation Phase \$	Development costs \$	Water Rights \$	Software \$	Total \$
Year ended 30 June 2014					
Opening balance	35,942,139	2,030,369	17,958,613	316,011	56,247,132
Additions	5,299,407	1,590,378	-	-	1,590,378
Amortisation	-	-	(1,830,302)	(118,504)	(1,948,806)
Foreign exchange movements	-	(5,978)	-	-	(5,978)
Balance at 30 June 2014	41,241,546	3,614,769	16,128,311	197,507	61,182,133
Year ended 30 June 2013					
Opening balance	29,240,470	1,159,444	17,958,613	200,886	48,559,413
Additions	6,701,669	852,306	-	115,125	7,669,100
Impairment	-	-	-	-	-
Foreign exchange movements	-	18,619	-	-	18,619
Balance at 30 June 2013	35,942,139	2,030,369	17,958,613	316,011	56,247,132

(f) Finite lives

Intangible assets, other than goodwill have finite useful lives. To date no amortisation has been charged in respect of intangible assets due to the stage of development for each project.

18. Land Use Rights

	Consolidated	
	2013 \$	2013 \$
Land use rights	2,903,760	10,012,664

During the year ended 30 June 2014, management entered into an agreement to transfer 1,065,384 sqm of land held in China to a state owned entity over a 1 year period from 31 December 2013 to 31 December 2014. As the under-development of this land resulted from a change of government development plan and restructure, this land transfer has been subsidised by the Chinese Government. The land held for sale is shown as a single line item on the face of the statement of financial position.

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(a) Reconciliation

	Consolidated	
	2014	2013
	\$	\$
Opening balance	10,012,664	8,712,067
Addition	-	308,979
Amortisation	(146,512)	(198,697)
Transfer to assets classified as held for sale	(6,738,679)	-
Foreign exchange movements	(223,713)	1,190,315
Closing balance	2,903,760	10,012,664

19. Trade and Other Payables

	Consolidated	
	2014	2013
	\$	\$
Unsecured liabilities		
Trade payables	1,262,089	1,241,957
Other payables	1,167,209	641,023
Total	2,429,298	1,882,980

20. Borrowings

	Consolidated	
	2014	2013
Note	\$	\$
Current		
Short term borrowings	-	301,909
	-	301,909

The 2013 borrowings related to a 90 day advance by Bank of China for issuing a letter of credit. The interest rate was fixed at 4.7731% and the amount was repaid in full on 20 August 2013.

21. Provisions

	Consolidated	
	2014	2013
Note	\$	\$
Current		
Provision for indemnification on discontinued operations	18,546	18,546
	18,546	18,546
Non-current		
Environmental rehabilitation	21(a) 40,000	40,000
	40,000	40,000

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(a) *Provision for environmental rehabilitation*

The provision for rehabilitation represents the estimated costs to rehabilitate the Donald Mineral Sands evaluation excavation.

22. Taxation

i. *Liabilities*

	Consolidated	
	2014	2013
	\$	\$
Current tax liability	-	-
Deferred tax liability arises from the following:		
Capitalised expenditure	6,594,550	5,287,278
Interest accrued	91,411	205,575
Provisions	(210,486)	(44,131)
Blackhole expenditure	(165,945)	(412,139)
	6,309,530	5,036,583

ii. *Deferred tax assets not brought to account*

Deferred tax assets are not brought to account, as benefits will only be realised if the conditions for deductibility set out in note 2(e) occur.

	Consolidated	
	2014	2013
	\$	\$
temporary differences unrecognized	1,737,247	1,376,669
tax losses:		
- Revenue losses (China)	2,537,794	1,790,492
- capital losses	19,873,447	17,928,340

iii. *Current Tax Asset*

This represents payment of provisional tax which is recoverable as there is no tax liability in view of the tax losses incurred.

	Consolidated	
	2014	2013
	\$	\$
Current tax asset	558,154	282,505

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23. Issued Capital

	Consolidated	
	2014	2013
	\$	\$
122,479,784 (2013: 122,479,784) Fully Paid Ordinary Shares at HK\$0.1	1,605,048	1,605,048
Share Premium	-	28,456,871
Total	1,605,048	30,061,919

The shares in Astron Corporation Limited are par value shares with a par value of HK\$0.1.

The share premium reserve was extinguished as a consequence of the return of capital.

(a) Reconciliation of ordinary shares (number)

	Consolidated	
	2014	2013
At the beginning of year	122,479,784	122,479,784
At reporting date	122,479,784	122,479,784

On 21 May 2012, Astron Corporation Limited acquired the equity interests in Astron Limited through a share swap, and became the holding company of the companies now comprising the Group. As at the date of acquisition 122,476,778 CDIs and 3,006 ordinary shares were allotted and issued to shareholders of Astron Limited for the purpose of acquiring the subsidiaries.

(b) Reconciliation of ordinary shares (value)

	Consolidated	
	2014	2013
	\$	\$
At the beginning of the year	30,061,919	30,061,919
Return of capital	(28,456,871)	
Shares bought back during the year	-	-
Total	1,605,048	30,061,919

(c) Ordinary shares

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At the shareholders meetings, each ordinary share is entitled to one vote when a poll is called; otherwise each shareholder has one vote on a show of hands.

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For The Year Ended 30 June 2014

(d) Capital risk management

The Group considers its capital to comprise its ordinary share capital, reserves, accumulated retained earnings and net debt.

In managing its capital, the Group's primary objective is to ensure its continued ability to provide a consistent return for its equity shareholders through a combination of capital growth and dividends. In order to achieve this objective, the Group has made decisions to adjust its capital structure to achieve these aims, either through altering its dividend policy, new share issues, or share buy backs, the Group considers not only its short term position but also its long term operational and strategic objectives.

	Consolidated	
	2014	2013
	\$	\$
Net debt	-	-
Total equity	96,787,292	196,653,014

There have been no significant changes to the Group's capital management objectives, policies and processes in the year nor has there been any change in what the Group considers to be its capital.

(e) Share based payments

As at 30 June 2014 there were no key executives that had any rights to acquire shares in terms of a share-based payment scheme for employee remuneration. The creation and grant is subject to shareholder approval.

24. Reserves

i. Foreign currency translation reserve

The foreign currency translation reserve records exchange differences arising on translation of foreign controlled subsidiaries.

ii. Share based payment reserve

The share-based payment reserve records the amount of expense raised in terms of equity-settled share-based payment transactions. The reserve recognized in the current financial year is nil (2013: \$nil).

iii. Financial assets available for sale reserve

The financial assets available for sale reserve represents the cumulative gains and losses arising on the revaluation of available for sale financial assets that have been recognised in other comprehensive income, net of amounts reclassified to profit or loss when those assets have been disposed of or are determined to be impaired.

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25. Dividends

During the current and prior years no dividend was proposed or paid

Franking account balance

Consolidated

	2014	2013
	\$	\$
Franking credits available for the subsequent financial years based on a tax rate of 30% (2013:30%)	3,245,772	2,970,123

The above amount represents the balance on the franking account at the end of the financial year arising from income tax payable.

26. Related party transactions

i. Parent entity

Astron Corporation Limited is the parent entity of the Group.

ii. Subsidiaries

Interests in subsidiaries are disclosed in note 15.

iii. Transactions with key management personnel

Key management of the Group are the executive members of the Board of Directors. Key Management Personnel remuneration includes the following expenses:

	2014	2013
	\$	\$
Short term employee benefits		
Salaries and fees	1,571,070	2,298,496
Non cash benefits	15,784	14,028
Total short term employee benefits	1,586,854	2,312,524
Post-employment benefits		
Payments in lieu of notice	100,000	-
Superannuation	47,140	93,524
Total post-employment benefits	147,140	93,524
Total Remuneration	1,733,994	2,406,048

iv. Rental of offices

From 1 July 2011, the Group entered into a lease agreement with Kang Rong, who is an executive Director of the Astron Corporation Limited, whereby the Yingkou Astron Mineral Resources Co Ltd will lease the offices at level 18, Building B, Fortune Plaza, 53 Beizhan Road, Shenhe District, Shenyang China. The salient terms of the lease are:

Period	1 January 2013 to 30 June 2014
Rental amount	RMB 400,000 per annum paid in 2 equal installments, renegotiated at the commencement of each financial year
Cancellation	Either party can cancel the lease by giving the other party 6 months' notice

The rental amount is below market price for similar properties.

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v. Interest free loans

All subsidiary companies are wholly owned with any interest free loans being eliminated on consolidation.

vi. Management services provided

Management and administrative services are provided at no cost to subsidiaries.

27. Commitments

i. Operating lease commitments

There are no non-cancellable operating leases contracted for but not capitalised in the financial statements (2013: nil)

ii. Capital expenditure commitments

	Consolidated	
	2014	2013
	\$	\$
Capital expenditure commitments contracted for:		
Chinese capital projects	15,153	34,222
Chinese subsidiary capitalization	2,965,451	3,109,000
Donald Mineral Sands	50,000	50,000
	3,030,604	3,193,222
Payable:		
-not later than 12 months	3,030,604	3,193,222
	3,030,604	3,193,222

iii. Water rights

In terms of the contract with GWMW the Group is required to pay a usage fee in 2014 of \$201,682 (2013: \$191,987) per quarter for the life of the water rights.

iv. Guarantees between subsidiaries

Astron Limited has provided a letter of support to the Victorian Department of Primary Industries to fund any expenditure incurred by Donald Mineral Sands Pty Limited.

v. Other commitments and contingencies

Land

In 2008 Astron Titanium (Yingkou) Co Ltd acquired a land site from the Chinese Government. The Group is discussing possible changes to the usage rights with the Government. The Directors believe that no significant loss will be incurred to the Group in relation to the land use rights. As at the 30 June 2014 the net book value of this land is \$8,080,796 (2013: \$8,378,532).

The intention for the block of land held by Yingkou Astron Mineral Resources Co Ltd is currently being evaluated. As at 30 June 2014 the net book value of the land is \$1,561,642 (2013: \$1,634,132)

Senegal

The Group has a commitment to pay a bonus of 50% of the annual salary of the Senegal Managers annual income upon completion of funding construction and a further 50% of the annual salary on commissioning of the operation.

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Minimum expenditure on exploration and mining licenses

To maintain the Exploration and Mining License's at Donald the Group is required to spend \$1,272,439 on exploration and development expenditure over the next year (2013: \$1,821,300). The minimum expenditure amount per annum will normally increase over the life of an exploration license. The minimum expenditure on the mining license 5532 is \$556,800 per annum. The amount of this expenditure could be reduced should the Group decide to relinquish land.

Other

Astron Limited is committed to adequately capitalise its Chinese subsidiaries to the amount of \$3,965,455 (2013: \$3,109,000).

28. Cash Flow Information

i. Reconciliation of cash provided by operating activities with profit attributable to members

	Consolidated	
	2014	2013
	\$	\$
Net (loss)/ profit for the year	(7,583,406)	(5,465,643)
<i>Non-cash flows in profit (loss) from ordinary activities</i>		
Depreciation and amortisation	541,790	526,771
Bad debt provision	971,968	-
Asset expended to R & D	-	40,364
Expenditure on re-domiciliation	-	10,586
Impairment of available-for-sale assets	19,363	299,112
Decrease/ (increase) in trade and other receivables	2,215,916	(1,047,488)
Decrease/(increase) in inventories	1,734,667	3,334,465
Increase/(decrease) in trade payables and accruals	254,657	(444,729)
(Decrease)/ increase income taxes payable	-	(503,528)
Increase in deferred tax liabilities	1,272,948	58,384
Effects on foreign exchange rate movement	(271,493)	-
(Decrease)/increase in share-based payments reserve	-	(125,250)
	(843,590)	(3,316,956)

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ii. Reconciliation of cash

		Consolidated	
	Note	2014 \$	2013 \$
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the consolidated statement of financial position as follows:			
Cash on hand	10	5,247	7,004
Current & call account balances	10	1,657,315	11,590,592
Short term deposits	10	1,242,633	34,193,022
		2,905,195	45,790,618

iii. Loan facilities

As at 30 June 2014 and 30 June 2013 the Group does not have any loan facilities.

iv. Non cash financing and investing activities

No dividends were paid in cash or by the issue of shares under a dividend reinvestment plan during the current year and prior year.

v. Acquisition of entities

During the year or during the previous year Astron Corporation Limited did not invest any funds into Chinese subsidiaries. During the current year Astron did not acquire any news entities.

vi. Disposal of entities

There were no disposals of entities in the current or prior financial years.

vii. Restrictions on cash

The short term deposits include \$60,000 (2013: \$60,000) of cash backed Bank Guarantees for the operations of the Donald Mineral Sands project and WIM 150 Pty Limited.

Bank balances did not include any letter of credit deposits at 30 June 2014 (2013: \$nil).

29. Employee Benefit Obligations

As at 30 June 2014 and 30 June 2013, the majority of employees are employed in China. It is not normal business practice to remunerate employees in China with employee benefits including superannuation. Any Chinese provisions for employee entitlements at year end would be insignificant.

30. Subsequent events

Subsequent to year end Astron has reached settlement with regards to the claim received from its former CEO regarding the termination of his employment. This claim has previously been disclosed as a contingency. The terms of the settlement are confidential. The settlement will not have a significant impact on the Company's stated reported financial position as at 30 June 2014.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

The financial statements were authorised for issue on 30 September 2014 by the board of Directors.

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31. Financial Instruments

i. General objectives, policies and processes

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note. The principal financial instruments from which financial instrument risk arises are cash at bank, term deposits greater than 90 days, trade receivables and payables and available-for-sale investments.

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Groups' risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the results of the Group where such impacts may be material. The Group has significant experience in its principal markets which provides the Directors with assurance as to the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The Group engages a number of external professionals to ensure compliance with best practice principles.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

ii. Credit risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Group incurring a financial loss. This usually occurs when debtors or counterparties to derivative contracts fail to settle their obligations owing to the Group.

In respect of cash investments the majority of cash, cash equivalents and term deposits greater than 90 days are held with institutions with a AA to A-credit rating.

In respect of trade receivables, there is no concentration of credit risk as the Group has a large number of customers. Group policy is that sales are only made to customers that are credit worthy. Trade receivables are predominantly situated in China.

Credit risk is managed on a Group basis and reviewed regularly by management and Audit & Risk Committee. It arises from exposures to customers as well as through certain derivative financial instruments and deposits with financial institutions.

Refer to note 10 (a) & (b) for concentration of credit risk for cash and cash equivalents.

The maximum exposure of the Group to credit risk at the end of the reporting period is as follows:

	Consolidated	
	2014	2013
	\$	\$
Cash & cash equivalents	2,905,195	45,790,618
Term deposits with maturity over 90 days	7,220,272	62,333,117
Receivables	1,241,897	3,921,612
Total	11,367,364	112,045,347

Astron Corporation Limited

ARBN 154 924 553

Notes to the Financial Statements

For The Year Ended 30 June 2014

iii. Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulties raising funds to meet commitments associated with financial instruments, e.g. borrowing repayments. The Group manages liquidity risk by monitoring forecast cash flows. As at the year end the Group had cash of \$1,662,562 (2013: \$45,790,618).

Maturity analysis

Consolidated

	Note	Carrying Amount \$	Contractual Cash flows \$	< 6 months \$
Year ended 30 June 2014				
Non-derivatives				
Trade payables	19	1,262,089	1,262,089	1,262,089
Other payables and accruals	19	1,167,209	1,167,209	1,167,209
Borrowings	20	-	-	-
Total Non-interest bearing liabilities		2,429,298	2,429,298	2,429,298
Total liabilities		2,429,298	2,429,298	2,429,298
Year ended 30 June 2013				
Non-derivatives				
Trade payables	19	1,241,957	1,241,957	1,241,957
Other payables and accruals	19	641,023	641,023	641,023
Borrowings	20	301,909	301,909	301,909
Total Non-interest bearing liabilities		2,184,889	2,184,889	2,184,889
Total liabilities		2,184,889	2,184,889	2,184,889

iv. Fair value

The fair values of

- Term receivables, government and fixed interest securities and bonds are determined by discounting the cash flows, at the market interest rates of similar securities, to their present value.
- Listed investments have been valued at the quoted market bid price at the end of the reporting period. For unlisted investments where there is no organised financial market the fair value has been based on a reasonable estimation of the underlying net assets or discounted cash flows of the investment.
- Other loans and amounts due are determined by discounting the cash flows, at market interest rates of similar borrowings to their present value.
- Other assets and other liabilities approximate their carrying value.

At 30 June 2014 and 30 June 2013, the aggregate fair values and carrying amounts of financial assets and financial liabilities approximate their carrying amounts.

Available-for-sale financial instruments are recognised in the statement of financial position of the Group according to the hierarchy stipulated in IFRS7.

Astron Corporation Limited

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Notes to the Financial Statements

For The Year Ended 30 June 2014

	Consolidated	
	2014 \$	2013 \$
Available-for-sale financial assets		
ASX Listed equity shares Level 1	1,206,249	983,198
	1,206,249	983,198

v. Price risk

Given that price movements are not considered material to the Group, the Group does not have a risk management policy for price risk. However, the Group's management regularly review the risks associated with fluctuating input and output prices.

As at 30 June 2014, the maximum exposure of price risk to the Group was the available-for-sale investments for \$1,206,249 (2013: \$983,198). 100% of the Group's holding is in the mining or energy sector.

The Group's exposure to equity price risk is as follows:

	Consolidated	
	2014 \$	2013 \$
Carrying amount of listed equity shares on ASX	1,206,249	983,198
	1,206,249	983,198

Sensitivity Analysis

	Consolidated			
	2014 \$		2013 \$	
	Increase/(decrease) in share price		Increase/(decrease) in share price	
	+10%	-10%	+10%	-10%
Listed equity shares on ASX				
Profit before tax - decrease	-	(120,625)	-	(98,320)
Other comprehensive income - increase	120,625	-	98,320	-

The above analysis assumes all other variables remain constant.

vi. Interest rate risk

The Group manages its interest rate risk by continuously monitoring available interest rates while maintaining an overriding position of security whereby the majority of cash and cash equivalents and term deposits are held with institutions with a AA-to A- credit rating.

Astron Corporation Limited

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Notes to the Financial Statements

For The Year Ended 30 June 2014

The Groups' exposure to interest rate risk and the effective weighted average interest rate by maturity periods is set out in the tables below:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing within 1 Year		Non-interest Bearing		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	%	%	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets:										
Cash and cash equivalents	1.50%	1.42%	1,657,315	11,590,592	1,242,633	34,193,022	5,246	7,004	2,905,194	45,790,618
Term deposits greater than 90 days	4.75%	4.59%	-	-	7,220,272	62,333,117	-	-	7,220,272	62,333,117
Receivables	-	-	-	-	-	-	1,569,997	3,921,612	1,569,997	3,921,612
Available-for-sale investments	-	-	-	-	-	-	1,206,249	983,198	1,206,249	983,198
Total Financial Assets			1,657,315	11,590,592	8,462,905	96,526,139	2,781,492	4,911,814	12,901,712	113,028,545
Financial Liabilities:										
Trade and sundry payables	-	-	-	-	-	-	2,429,298	1,882,980	2,429,298	1,882,980
Borrowings	-	4.77%	-	-	-	301,909	-	-	-	301,909
Total Financial Liabilities			-	-	-	301,909	2,429,298	1,882,980	2,429,298	2,184,889

Astron Corporation Limited

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Notes to the Financial Statements

For The Year Ended 30 June 2014

Sensitivity analysis

The following table shows the movements in profit due to higher/lower interest costs from variable interest rate financial instruments in Australia and China.

	Consolidated			
	+ 1% (100 basis points)		-1% (100 basis points)	
	2014 \$	2013 \$	2014 \$	2013 \$
Cash at bank	29,052	522,889	(29,052)	(522,889)
Term deposits greater than 90 days	72,203	623,518	(72,203)	(623,518)
Borrowings	-	(3,019)	-	3,019
	101,255	1,143,388	(101,255)	(1,143,388)
Tax charge of 30%	(30,376)	(343,016)	30,376	343,016
Total	70,878	800,372	(70,878)	(800,372)

vii. Foreign currency risk

The Group is exposed to fluctuations in foreign currencies arising from the sale and purchase of goods and services in currencies other than the Group's measurement currency. The Group manages this risk through the offset of trade receivables and payables where the majority of trading is undertaken in either the USD or Chinese Reminbi which is pegged to the USD. Current trading terms ensure that foreign currency risk is reduced by not trading on terms but cash on delivery.

Astron Corporation Limited



Declaration by Directors

For The Year Ended 30 June 2014

The Directors of the company declare that:

1. The financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity, accompanying notes, are in accordance with International Financial Reporting Standards and give a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

R Flew

Director

G King

Director

30 September 2014

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Sydney NSW 2000

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Sydney NSW 1230

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W www.grantthornton.com.au

Independent Auditor's Report To the Members of Astron Corporation Limited

We have audited the accompanying financial report of Astron Corporation Limited (the "Company"), which comprises the consolidated statement of financial position as at 30 June 2014, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information to the financial report and the statement by the Directors of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Responsibility of the Directors for the financial report

The Directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with International Financial Reporting Standards as issued by the International Accounting Standard Board (IASB) and other authoritative pronouncement of the IASB. This responsibility includes such internal controls as the Directors determine are necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards which require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's

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judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

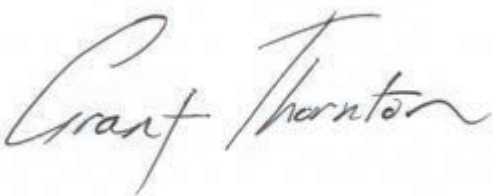
Independence

In conducting our audit, we have complied with the applicable independence requirements of the Accounting Professional and Ethical Standards Board.

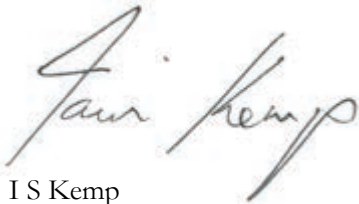
Auditor's Opinion

In our opinion, the financial report of Astron Corporation Limited

- i presents fairly, in all material respects, the consolidated entity's financial position as at 30 June 2014 and of its performance and cash flows for the year then ended ; and
- ii complies with International Financial Reporting Standards and other authoritative pronouncements of the IASB.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



I S Kemp
Partner - Audit & Assurance

Sydney, 30 September 2014

Astron Corporation Limited

Investor Information

2014/2015 Financial Calendar (on or before)

Release of quarterly report	31 October 2014
2014 Annual general meeting	5 December 2014
Release of quarterly report	30 January 2015
Release of half year report	27 February 2015
Release of quarterly report	30 April 2015
Release of Appendix 4E	28 August 2015

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows.

The information is current as at 26 September 2014.

Shareholders' interests

(a) Distribution of equity securities

The number of shareholders by size of holding in each class of share are:

Range of Units Snapshot

	Total holders	Units	% of Issued Capital
1-1,000	128	62,781	0.05
1,001-5,000	128	375,471	0.31
5,001-10,000	64	502,301	0.41
10,001-100,000	152	5,155,310	4.21
100,001-9,999,999,999	39	116,380,915	95.02
Rounding			
Total	511	122,476,778	100.00

Non CDI holders

1-1,000	4	306
1,001-5,000	1	2,700
Total	2	3,006

Unremarkable Parcels

	Minimum parcel size	Holders	Units
Minimum \$ 500.00 parcel at \$0.32 per unit	1,563	142	80,084

Astron Corporation Limited

Investor Information continued

(b) Twenty largest CDI holders

The twenty largest CDI holders are as follows:

Rank	Name	Units	% of Total CDIs
1.	P T Arafua Mining Limited	94,165,972	76.88
2.	FSC Investment Holdings Ltd	7,437,092	6.07
3.	Juhua International Limited	4,000,000	3.27
4.	GCC Asset Holdings Pty Ltd	1,804,366	1.47
5.	Mr Donald Alexander Black	1,109,053	0.91
6.	Mr Darrell Vaughan Manton + Mrs Veronica Josephine Manton <The Manton Family No 2 A/C>	933,364	0.76
7.	BT Portfolio Services Limited <Tognola Super Fund A/C>	600,000	0.49
8.	Mr Adrian Robert Nijman + Mrs Jenny Ann Nijman	503,000	0.41
9.	DFC Management Pty Ltd <Carmichael Superfund A/C>	400,000	0.33
10.	Cognition Australia Pty Ltd <A&M Gall Superannuation A/C>	381,468	0.31
11.	Navigator Australia Ltd <Mlc Investment Sett A/C>	376,120	0.31
12.	3rd Pulitano Incorporation Pty Ltd <Giuseppe Pulitano Family A/C>	328,744	0.27
13.	Bresrim Nominees Pty Ltd <D A Hannes Super Fund #2 A/C>	328,342	0.27
14.	Max Short Pty Ltd <GI Short Family A/C>	289,260	0.24
15.	Ellrock Pty Ltd <Elliott No 3 A/C>	260,000	0.21
16.	Mr David Dippie + Mrs Joanne Dippie + Bramwell Grossman Trustees Ltd <Dippie Family A/C>	247,613	0.20
17.	ABN Amro Clearing Sydney Nominees Pty Ltd <Custodian A/c>	209,358	0.17
18.	Mr Malcolm Campbell	204,400	0.17
19.	Golden Arch (Qld) Pty Ltd <The Whistler A/C>	202,460	0.17
20.	Morgeo Nominees Pty Limited	200,000	0.16
Totals: Top 20 holders of CDI		113,980,612	92.20
Total Remaining Holders Balance		8,496,166	7.80
Total CDIs		122,476,778	100.00
Total non-CDI holders		3,006	
Total shares on issue		122,479,784	

(c) Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

Astron Corporation Limited

Investor Information continued

(d) Schedule of interests in mining tenements

Location	Tenement	Percentage held
Victoria Australia	EL4432	100
Victoria Australia	EL4433	100
Victoria Australia	EL5255	100
Victoria Australia	EL5263	100
Victoria Australia	EL5353	100
Victoria Australia	EL5186	100
Victoria Australia	EL5261	100
Victoria Australia	EL5262	100
Victoria Australia	EL5354	100
Victoria Australia	MIN5532	100

Information policy

It is the policy of the Company to conform with the highest reporting and information standards to its shareholders. Company spokespeople are available and pleased to respond to queries from financial community, investors and shareholders.

During the year, the Group held one shareholder information session meeting and at the meeting active discussions took place and questions were answered.

All these initiatives will continue to be improved and expanded in the coming year with the objective of providing the fullest and most detailed information to shareholders consistent with the Company's objectives.

Information on the group and presentations to analysts can be obtained from the Company's Website www.astronlimited.com.

To assist and improve service to shareholders related to the administration of the fully registered shares shareholders can contact our share registry service.

Shareholders can also contact the Company directly by telephone in Australia +61 2 9375 2361

Astron Corporation Limited

Investor Information continued

Mineral Resource Statement for Astron and its subsidiaries

Geology and Geological Interpretation

The Donald and Jackson Deposits belong to the so-called “WIM-style” fine-grained mineral sands deposits discovered in the Wimmera area of the Murray Basin in the 1980s. They consist of large and broad lobate sheet-like heavy mineral (HM) accumulations deposited within the Late Miocene to Late Pliocene Loxton-Parilla Sands. These deposits are believed to represent accumulations that developed below the active wave base in a near shore environment, possibly representing the submarine equivalent of the strand style deposits. The WIM-style deposits are considerably larger in tonnage than strand-line deposits that are formed along the seaward face of shorelines.

Update of Mineral Resource estimate

Following the 2013 in-fill drilling and audit of the project drilling database, Astron commissioned independent consultants to update the Mineral Resource estimates for the Donald and Jackson deposits in accordance with the requirements of the JORC 2012 Code.

The Mineral Resource estimate totals 4.78 billion tonnes of sand at an average grade of 3.7% HM (at 1% HM cut-off) - with Measured, Indicated and Inferred categories classified as presented in Table 1 for the Donald and Jackson Deposits.

In addition to assaying the total HM grade, major valuable heavy minerals (VHM) were assayed in more than 60% of all drill holes. VHM minerals consist of zircon, rutile+anatase, leucosene, ilmenite and monazite. The heavy mineral assemblage and the Mineral Resource estimate for available VHM data are presented in Table 2.

Summary of annual review

Astron's Mineral Resource estimate for the Donald and Jackson Deposits was completed at around the time of the end of the financial year being 30 June 2014 and accordingly constitutes the annual review of the Mineral Resource estimate.

Balance date

Astron's Mineral Resource estimate is provided as at 30 June 2014.

Comparison of Mineral Resources estimate and Ore Reserves

As this is the first year Astron has reported under JORC 2012, and there is no previous period for the purpose of such comparison.

Governance arrangements

Astron has controls in respect of reporting Mineral Resource estimates, which include both internal approval process and where relevant obtaining external competent persons approval.

Astron Corporation Limited

Investor Information continued

Mineral Resource estimate

Table 1 : Heavy Mineral (HM) Sand – Mineral Resource estimate

Area	Classification	Tonnes (M)	HM (%)	Slimes (%)	Oversize (%)
EL4432	<i>Measured</i>	0	0.0	0	0.0
	<i>Indicated</i>	1,630	3.2	17.9	5.2
	<i>Inferred</i>	670	2.7	17.1	3.6
	Subtotal	2,300	3.1	17.7	4.7
EL5353	<i>Measured</i>	0	0.0	0	0.0
	<i>Indicated</i>	40	2.6	11.6	3.6
	<i>Inferred</i>	30	2.0	11.6	4.7
	Subtotal	60	2.4	11.6	4.1
Total EL4432 & EL5353 Jackson Deposit	<i>Measured</i>	0	0.0	0.0	0.0
	<i>Indicated</i>	1,660	3.2	17.8	5.2
	<i>Inferred</i>	700	2.7	16.9	3.6
	Total	2,360	3.1	17.5	4.7
EL4433	<i>Measured</i>	10	5.1	14.9	12.0
	<i>Indicated</i>	700	4.0	14.7	12.7
	<i>Inferred</i>	1,270	4.4	15.6	6.1
	Subtotal	1,980	4.3	15.3	8.5
MIN5532	<i>Measured</i>	330	4.3	13.6	13.9
	<i>Indicated</i>	100	4.2	12.4	11.0
	<i>Inferred</i>	20	3.9	15.5	14.7
	Subtotal	440	4.3	13.4	13.3
Total EL4433 & MIN5532 Donald Deposit	<i>Measured</i>	340	4.3	13.6	13.8
	<i>Indicated</i>	800	4.0	14.4	12.5
	<i>Inferred</i>	1,280	4.4	15.6	6.2
	Total	2,420	4.3	15.0	9.4
TOTAL	<i>Measured</i>	340	4.3	13.6	13.8
	<i>Indicated</i>	2,460	3.5	16.7	7.5
	<i>Inferred</i>	1,980	3.8	16.1	5.3
	Total	4,780	3.7	16.2	7.1

- Note:
1. The total tonnes may not equal the sum of the individual resources due to rounding.
 2. The cut-off grade is 1% HM.
 3. The figures are rounded to the nearest: 10M for tonnes, one decimal for HM, Slimes and Oversize.
 4. Inclusive of the Mineral Resource where Valuable Heavy Mineral (VHM) data are available - Table 2.
 5. For further details including JORC Code, 2012 Edition – Table 1 and cross sectional data, see previous announcements dated 31 July 2014 and 21 August 2014, available at ASX's website at <http://www.asx.com.au/>.

Astron Corporation Limited

Investor Information continued

Table 2 : HM Assemblage and Mineral Resource estimate for available VHM data

Area	Classification	Tonnes (Mt)	HM (%)	Slimes (%)	Oversize (%)	Zircon (% HM)	Ilmenite (% HM)	Leucoxene (% HM)	Monazite (% HM)
EL4432	<i>Measured</i>	0	0.0	0.0	0.0	0	0	0	0
	<i>Indicated</i>	700	4.7	17.2	4.2	18	32	17	2
	<i>Inferred</i>	200	3.9	16.3	2.8	22	32	14	3
	<i>Subtotal</i>	900	4.6	17.0	3.9	19	32	16	2
EL5353	<i>Measured</i>	0	0.0	0.0	0.0	0	0	0	0
	<i>Indicated</i>	10	3.2	11.0	4.2	15	29	35	2
	<i>Inferred</i>	10	3.0	11.0	5.2	14	30	36	2
	<i>Subtotal</i>	20	3.1	11.0	4.6	15	30	35	2
Total EL4432 & EL5353 Jackson Deposit	<i>Measured</i>	0	0.0	0.0	0.0	0	0	0	0
	<i>Indicated</i>	710	4.7	17.1	4.2	18	32	17	2
	<i>Inferred</i>	210	3.9	16.1	2.9	22	32	15	2
	<i>Total</i>	910	4.6	16.9	3.9	19	32	17	2
EL4433	<i>Measured</i>	10	5.8	14.9	10.2	17	32	20	1
	<i>Indicated</i>	420	4.7	14.3	10.9	18	33	18	2
	<i>Inferred</i>	830	4.9	15.3	5.0	18	33	17	2
	<i>Subtotal</i>	1,260	4.9	15.0	7.0	18	33	17	2
MIN5532	<i>Measured</i>	230	5.1	12.9	11.8	19	31	23	2
	<i>Indicated</i>	70	5.0	11.9	8.9	21	33	22	2
	<i>Inferred</i>	10	4.8	13.3	9.3	21	34	17	2
	<i>Subtotal</i>	310	5.1	12.7	11.1	20	31	22	2
Total EL4433 & MIN5532 Donald Deposit	<i>Measured</i>	240	5.1	13.0	11.7	19	31	23	2
	<i>Indicated</i>	490	4.7	14.0	10.6	19	33	19	2
	<i>Inferred</i>	840	4.9	15.3	5.0	18	33	17	2
	<i>Total</i>	1,560	4.9	14.5	7.8	18	33	18	2
TOTAL	<i>Measured</i>	240	5.1	13.0	11.7	19	31	23	2
	<i>Indicated</i>	1,200	4.7	15.8	6.8	18	32	18	2
	<i>Inferred</i>	1,040	4.7	15.4	4.6	19	33	16	2
	<i>Total</i>	2,480	4.7	15.4	6.4	19	33	18	2

Note: 1. The total tonnes may not equal the sum of the individual resources due to rounding.

2. The cut-off grade is 1% HM.

3. The figures are rounded to the nearest: 10M for tonnes, one decimal for HM, Slimes and Oversize and whole numbers for zircon, ilmenite, rutile + anatase, leucoxene and monazite.

4. Zircon, ilmenite, rutile + anatase, leucoxene and monazite percentages are report as a percentage of the HM.

5. Rutile + anatase, leucoxene and monazite resource has been estimated using fewer samples than the other valuable heavy minerals. The accuracy and confidence in their estimate is therefore lower.

6. For further details including JORC Code, 2012 Edition – Table 1 and cross sectional data, see previous announcements dated 31 July 2014 and 21 August 2014, available at ASX's website at <http://www.asx.com.au/>.

Astron Corporation Limited

Salient Financials

	2014	2013	2012	2011	2010	2009	2008	2007
Share price* (\$)	0.32	0.71	1.30	1.50	0.90	0.90	1.00	1.30
EPS (c)	(6.19)	(4.46)	(0.80)	0.70	0.90	(2.00)	89.00	9.50
Price earnings Ratio	n/a	n/a	n/a	221.4	105.6	n/a	0.1	13.7
Interest Cover	n/a	n/a	n/a	n/a	n/a	n/a	115	13
Nos of Shares on issue (m)*	122.5	122.5	122.5	124.6	128.4	129.6	129.4	120.8
Profit and Loss (\$m)								
Revenue	5.1	13.0	21.0	20.5	15.3	10.6	204.2	181.7
Costs	(10.9)	(17.8)	(20.4)	(17.0)	(12.2)	(9.9)	(87.4)	(164.5)
EBITDA	(5.8)	(4.8)	0.6	3.5	3.1	0.7	116.8	17.2
Depreciation & Amorisation	(0.5)	(0.6)	(0.5)	(0.4)	(0.3)	(0.3)	(2.9)	(2.1)
EBITDA	(6.3)	(5.4)	0.1	3.1	2.8	0.4	113.9	15.1
Borrowing Costs	-	(0.1)	-	-	(0.1)	-	(1.0)	(1.2)
NPBT	(6.3)	(5.5)	0.1	3.1	2.7	0.4	112.9	13.9
Income tax expenses	(1.3)	(0.0)	(1.1)	(2.2)	(1.5)	(2.9)	(1.0)	(2.5)
NPAT	(7.6)	(5.5)	(1.0)	0.9	1.2	(2.5)	111.9	11.4
Balance Sheet (\$m)								
Cash & Term deposits	10.1	108.1	121.2	147.4	166.5	168.8	185.6	15.9
Receivables	1.6	5.0	4.2	7.5	2.6	2.5	8.4	29.7
Inventories	0.4	2.2	5.1	3.7	1.3	2.9	3.4	50.0
Other financial Assets	1.2	1.0	1.9	2.5	0.7	1.1	-	6.1
Current Tax Assets	0.6	0.3	-	-	-	-	-	-
Assets classified as available for sale	6.7	-	-	-	-	-	-	-
Total Current Assets	20.6	116.6	132.4	161.1	171.1	175.3	197.4	101.7
Property, Plant & Equipment	20.9	21.1	16.7	12.4	11.4	9.0	6.6	21.7
Investments	-	-	-	-	-	-	-	2.2
Intangible assets	61.2	56.2	48.6	27.0	21.8	20.4	19.9	24.6
Land use rights	2.9	10.0	8.7	8.3	10.0	10.8	9.0	-
Deferred Tax Assets	-	-	-	-	-	-	-	0.7
Total Current Assets	85.0	87.3	74.0	47.7	43.2	40.2	35.5	49.2
TOTAL ASSETS	105.6	203.9	206.4	208.8	214.3	215.5	232.9	150.9
Payables	2.5	1.9	2.2	2.2	1.5	1.8	21.0	31.9
Borrowings	-	0.3	0.2	-	-	-	-	13.6
Tax Liabilities	-	-	0.1	0.2	0.2	0.9	-	0.3
Total Current Liabilities	2.5	2.2	2.5	2.4	1.7	2.7	21.0	45.8
Deferred Tax	6.3	5.0	5.0	4.6	2.9	1.6	-	1.1
Total Non-Current Liabilities	6.3	5.0	5.0	4.6	2.9	1.6	-	1.1
Total liabilities	8.8	7.3	7.5	7.0	4.6	4.3	21.0	46.9
NET ASSETS	96.8	196.6	198.9	201.8	209.7	211.2	211.9	104.0
Cash Flows (\$m)								
Operating Activities	(0.8)	(3.3)	3.2	(1.5)	4.0	0.8	27.3	(6.5)
Investing Activities	49.8	(11.0)	(27.8)	(17.9)	(57.8)	(13.5)	157.6	(12.7)
Financing Activities	92.1	0.1	(4.2)	(5.1)	(1.2)	(6.2)	(8.9)	9.9

* After 2:1 share swap and return of capital in 2014

Astron Corporation Limited

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Mr Alexander Brown (Managing Director)
Mr Robert Flew (Non executive Director)
Mdm Kang Rong (Executive Director)

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