

**ASX Announcement
30 April 2019**

Quarterly Activities Report

Quarter Ended 31 March 2019

AustSino Resources Group Limited ("AustSino" or the "Company") is pleased to present its quarterly activities report for the period ended 31 March 2019.

Operational

AustSino previously announced that it had agreed terms with Mr Guan Min Jie to raise additional capital of AUD 3 million. Mr Jie (a resident of China) agreed to subscribe for approximately 230,769,231 fully paid ordinary shares in AustSino at a subscription price of AUD 0.013 (1.3 cents) per share to raise AUD 3 million and that the Company had received an initial AUD 400,000 as part of the subscription funds. Ultimately, the funds to complete this agreement were not received and the agreement was terminated on 15 March 2019. Prior to the agreement terminating, an agreement was reached with Mr Guan whereby Ms Peiyu Liang (a citizen of China) would instead purchase a parcel of 30,769,231 shares at a subscription price of \$0.013 (1.3 cents) per share for a purchase price of AUD 400,000. This transaction was completed and the shares were issued on 15 February 2019 (with the shares escrowed until the earlier of 15 February 2020 or until the Company issues a prospectus, cleansing statement or other disclosure document.)

On 3 April 2019 it was announced that the Company had entered into a share placement agreement with Mr Ma Kai Hui, a sophisticated investor who is a citizen of China. Mr Ma has agreed to purchase approximately 134,938,590 fully paid ordinary shares at a price per share of AUD 0.013 (1.3 cents) for a total purchase price of approximately AUD 1.75 million. The funds were received and deposited into the Shanghai bank account of the Company's 100% owned Shanghai subsidiary. These shares will only be issued upon the successful transfer of these funds to the Company's Australian bank account.

On 16 April 2019, the Company advised the market that 181,818,182 fully paid ordinary shares would be released from escrow on 2 May 2019.

On a sad note, the Company advised that Non-Executive Director, Mr Ian King, passed away following a short illness. Ian was a well respected member of the board and made an invaluable contribution to the Company during his tenure from December 2017 and will be greatly missed by all at AustSino.

Proposed Sundance Transaction

The Company announced on 25 September 2018 that it had entered into a proposed transaction with Sundance Resources Ltd ('Sundance') (ASX: SDL). The terms and conditions of this agreement were outlined in the Company's ASX Announcement dated 25 September 2018.

In early January 2019, AustSino agreed to acquire a further 30,000,000 fully paid ordinary shares in Sundance at an issue price of AUD 0.004 (0.4 cents) per share for consideration of AUD 120,000. As part of this transaction, AustSino also received 60,000,000 bonus options (2 options per share issued) at an exercise price of AUD 0.006 (0.6 cents) per option. These options have an expiry date of 5 years after issue, being 8 January 2024. This transaction increased AustSino's shareholding in Sundance to approximately 3.32%.

It was not possible for AustSino and Sundance to satisfy all of the conditions precedent for completion of the proposed transactions by 31 December 2018. Accordingly AustSino, Sundance and all the Noteholders agreed to extend the end date to 31 March 2019. Subsequent to this, AustSino, Sundance and all of the Noteholders agreed to extend the deadline to 30 June 2019.

AustSino and Sundance had intended to travel to Cameroon towards the end of 2018 / early 2019 to have further face-to-face discussions with representatives of the Cameroon Government in relation to the above matters and the proposed reinstatement of the Mbalam Convention. However, the Cameroon Government changed its Prime Minister (and certain other Ministries) on 4 January 2019, and the Cameroon Government then indicated that it would be preferable for AustSino and Sundance to instead contemplate travelling to Cameroon towards the end of January 2019.

A face-to-face meeting between AustSino, Sundance and representatives of the Cameroon Government did take place in Cameroon in late January 2019 with a second meeting in Cameroon taking place in late February / early March 2019. The Board believes the meetings were positive and constructive, with the Cameroon Government reiterating its strong desire to see the project developed as quickly as possible.

As noted on previous occasions, a key condition of the Sundance Agreement is that the Cameroon Government agrees to reinstate the Mbalam Convention. At this point in time, Sundance still does not have confirmation as to whether the Cameroon Government will reinstate the Mbalam Convention.

This further delay in obtaining the reinstatement of the Mbalam Convention from the Cameroon Government may again affect the timeframe for completion of the proposed Sundance Agreement and AustSino's proposed transaction with WAPRC (as described below). We will update the market in this regard in due course.

AustSino and Sundance continue to take steps to satisfy the conditions precedent for completion of the above transactions.

In the meantime, AustSino remains in suspension while it responds to the ASX's request for further information concerning the proposed WAPRC Transaction, which include requests regarding WAPRC and its corporate / capital structure, the source of the funds and the new controllers of the Company following completion of the WAPRC placement.

Proposed WAPRC Transaction

The Company announced on 25 September 2018 that it had entered into a proposed transaction with Western Australian Port Rail Construction (Shanghai) Ltd (WAPRC). The terms and conditions of this agreement were outlined in the Company's ASX Announcement dated 25 September 2018.

The Company has continued to maintain regular contact with WAPRC and the Board is pleased that the Company and WAPRC reached agreement to extend the deadline for completion of the WAPRC Agreement from 31 March 2019 to 31 December 2019.

Tenement Management

Our planning for exploration for 2019 continued through the quarter. Our aim remains to build on the program from 2018 and to further identify iron ore targets and to further define the resources already identified.

Schedule of AustSino's tenements as at 31 March 2019:

Area of Interest	Tenement Reference	Interest
Western Australia		
Peak Hill	M 52/1068	100%
Peak Hill	E 52/1557	100%
Peak Hill	E 52/1860	100%
Peak Hill	E 52/2368	100%
Peak Hill	E 52/2993	100%
Peak Hill	E 52/3598	100%
Mt Padbury	E 52/1862	100%
Mt Padbury	E 52/1976	100%
Mt Padbury	E 52/2279	0%*

* Exploration tenement E52/2279 expired on 19 March 2019 (31 December 2018 100% interest).

Further inquiries:

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