



ASTRON AND POSCO SIGN A NON-BINDING MOU FOR DONALD PROJECT FUNDING

Astron has signed a non-binding memorandum of understanding (MOU) with Korean steelmaker Posco, for Posco to co-operate as a funding partner to bring Astron's Donald heavy mineral sands mine and all of its associated downstream processes into production.

This is in line with Astron's ongoing strategy as set out in its 30 June 2009 Annual Report of seeking strategic partners or investors to provide equity funding for the development of the Donald Project and its downstream processes.

The MOU is for the evaluation of the Donald Project and its downstream processes by Posco in order for it to consider the execution of a formal memorandum of agreement (MOA).

Currently, Astron is planning a drilling programme to expand and upgrade its resource base and to lift its reserves to a proven reserve status in order to move towards early project commencement.