

Astron Limited

ABN 97 000 285 272

Half-Year Report

ended 31 December 2008

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Corporate Information

ABN 97 000 285 272

Directors

Mr Gerard King (Chairman)
Mr Alexander Brown (Managing Director)
Mr Robert Flew (Non-executive Director)
Mr Ronald McCullough (Non-executive Director)
Mdm Kang Rong (Executive Director)

Company Secretary

Mr Matthew Suttling

Registered Office

Level 19, 2 Market Street
Sydney NSW 2000

Australian Business Office

c/- Suttling Pty Ltd
105 Howard Avenue
Dee Why NSW 2099

Mailing Address

Suttling Pty Ltd
P O Box 1035
Dee Why NSW 2099

Principal Place of Business

c/- Yingkou Astron Mineral Resources Co Ltd
Suite 2105, Building E, Fortune Center
59 Beizhan Road, Shenhe District, Shenyang
Liaoning Province, China 110016
Telephone: 86 24 3128 6222
Fax: 86 24 3128 6222

Solicitors

DLA Phillips Fox
255 Elizabeth Street
Sydney NSW 2000

Bankers

Commonwealth Bank of Australia
48 Martin Place
Sydney NSW 2000

Share Register

Computershare Investor Services Limited
Level 3, 60 Carrington Street
Sydney NSW 2001
Telephone No. 61 2 8234 5000

Auditors

BDO Kendalls Audit & Assurance (NSW-VIC) Pty Ltd
Level 19, 2 Market Street
Sydney NSW 2000

Internet Address

www.astronchem.com

Astron Limited – Half Year Report
Appendix 4D

HALF-YEAR INFORMATION GIVEN TO THE ASX UNDER LISTING RULE 4.2A

Name of entity

ASTRON LIMITED

ABN or equivalent reference #

97 000 285 272

Reporting period

Half Year ended 31 December 2008

Previous corresponding period

Half Year ended 31 December 2007

The information contained in this report should be read in conjunction with the most recent annual financial report.

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Item

Results for announcement to the market
Net tangible assets per ordinary share
Details of controlled entities
Details of associates and joint venture entities
Dividends
Audit Disputes or Qualifications

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Astron Limited – Half Year Report
Appendix 4D (cont)

1. RESULTS FOR ANNOUNCEMENT TO THE MARKET

Revenue from continuing operations	Up	809.92%	to \$	1,780,804
Profit(Loss) from ordinary operations after income tax attributable to members	Up	51.19%	to \$	984,143
Profit(Loss) from discontinuing operations after income tax attributable to members	Up	1733.52%	to \$	4,846,090
Net profit (loss) for the period attributable to members	Up	537.02%	to \$	5,830,233

Dividends per Share

Final

Interim

Amount per share	Franked amount per share at ...% tax
10 cents	Nil cents
Nil cents	Nil cents

Record date for determining entitlements to dividends **N/A**

The Directors do not propose to pay an interim dividend.

Explanations

A review of operations is included in the Directors Report.

NET TANGIBLE ASSETS PER

2. ORDINARY SHARE (NTA backing)

Current Period	Previous corresponding period
3.12	1.08

Astron Limited – Half Year Report
Appendix 4D (cont)

3. DETAILS OF CONTROLLED ENTITIES

**Control Gained Over Entities During
3.1 the Period**

Name of entity	Coast Resources Limited
Date control acquired, i.e. date from which profit(loss) has been calculated	22 December 2008
Profit (loss) from ordinary activities after extraordinary items and income tax of the controlled entity (or group of entities) during the current period <i>since the date on which control was acquired</i>	\$Nil
Profit (loss) from ordinary activities after extraordinary items and income tax of the controlled entity (or group of entities) for the <i>whole of the previous corresponding period</i>	\$(670,698)

**Loss of Control of Entities During the
3.2 Period**

Name of entity	N/a
Date of loss of control, i.e. date until which profit(loss) has been calculated	
Profit (loss) from ordinary activities after extraordinary items and income tax of the controlled entity (or group of entities) during the current period <i>to the date on which control was lost</i>	\$
Profit (loss) from ordinary activities after extraordinary items and income tax of the controlled entity (or group of entities) for the <i>whole of the previous corresponding period</i>	\$
Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	\$

Astron Limited – Half Year Report
Appendix 4D (cont)

DETAILS OF ASSOCIATES AND
4. JOINT VENTURE ENTITIES

Joint Venture Accounted Entities and 4.1 Equity Accounted Associates	%Ownership Interest		Contribution to Net Profit	
	Current Period %	Previous Corresponding Period %	Current Period A\$ '000	Previous Corresponding Period A\$ '000
Senegal Joint Venture	-	50%	-39	-38
Carnegie Minerals (Gambia) Limited – Associate	-	50%	-	-297

4.2 Aggregate Share of Profits(Losses) of Associates and Joint Venture Entities

Groups' Share of Associates' and Joint Venture Entities':	Current Period A\$ '000	Previous Corresponding Period A\$ '000
Profit(Loss) from ordinary activities before tax	-39	-335
Income tax on ordinary activities		
Profit(Loss) from ordinary activities after tax	-39	-335
Extraordinary items net of tax	-	-
Net profit(loss)	-39	-335
Adjustments	-	-
Share of net profit(loss) of associates and joint venture entities	-39	-335

Astron Limited – Half Year Report
Appendix 4D (cont)

5. DIVIDENDS

5.1 Dividends per Share

Final

- current period
- previous corresponding period

Interim

- current period
- previous corresponding period

Amount per share	Franked amount per share at ...% tax	Amount per share of foreign source dividend
10cents	0cents	10cents
20cents	0cents	20cents
0cents	0cents	0cents
0cents	0cents	0cents

5.2 Total Dividends

- Final - paid 12 December 2007
- Final - paid 12 December 2008

Current Period A\$ '000	Previous Corresponding Period A\$ '000
n/a	12,087
6,490	n/a
6,490	12,087

All dividends reflected as distributions above were paid during the period.

5.3 Dividend Reinvestment Plans

Astron Limited operates a Dividend Reinvestment Plan ('DRP') which allows shareholders to elect to receive their dividend entitlements in the form of Astron Limited shares. The price of the DRP is the average share market price, less a discount if any (determined by the Directors) calculated over the pricing period (which is at least 5 trading days) as determined by the Directors for each dividend payment date. The price of DRP shares in the period to 31 December 2008 included a 5% discount (2007 5%). A total of 518,832 shares (2007: 4,345,800) were allocated to equity holders participating in the DRP to 31 December 2008.

The last date for receipt of election notices for participation in any dividend reinvestment plans

N/A

6. QUALIFICATIONS **AUDIT** **DISPUTES** **OR**

Nil

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Astron Limited

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Consolidated Financial Statements

For the Period Ended 31 December 2008

Astron Limited

ABN 97 000 285 272

For the Period Ended 31 December 2008

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Directors' Report

31 December 2008

Your directors present their report on the Company and its subsidiaries for the half year ended 31 December 2008.

1. General information

Directors

The names of the directors in office at any time during, or since the end of, the period are:

Names

Mr Gerard King

Mr Alexander Brown

Mr Robert Flew

Mr Ronald McCullough

Mdm Kang Rong

2. Business review

Review of Operations

The half year has seen a period of consolidation for the Group in order to ensure that it is well placed to review the existing projects, in due course, planned for the company previously, and pursue opportunities that the current Global economic uncertainty has provided.

The majority of the Group's assets are held in cash deposits with the Commonwealth Bank of Australia which should provide security for the Groups future developments.

The profit for the period performance included revenue derived from cash on deposit and was offset by ongoing overhead costs together with expenses incurred in respect of our Gambian investments (which will not be anticipated to be repeated). The Group intends to seek compensation for the loss of its investments In Gambia.

Margins for ongoing trading after adjustments were lower than corresponding period last year due to lower demand attributable to a slower Chinese economy particularly in the 2nd quarter of the financial year.

In accordance with the sale agreement with Imerys there was an adjustment to the indemnification provision and other adjustments which lead to a gain from discontinued operations in the half year.

Existing projects have continued to progress with the Directors happy to report some milestones in the current period:

- Donald Mineral Sands:

- o The mine in Victoria has achieved a milestone with the successful application of its Environmental Impact Statement. Currently application is being made for Federal approvals to commence mining
- o The basic design for the mineral separation plant was completed during the half year.
- o Complete drawings, tenders for equipment and construction are anticipated to be completed in the next half year
- o Zirconium Oxychloride project progressed to the EES and SA stage which is expected to be completed by mid June 09 and fume silica burner and production unit completed in Oct-09.
- o Zirconium Opacifier project detailed feasibility study is targeted to complete by Apr-09 with follow up of EES and SA completed by July-09

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Directors' Report

31 December 2008

Review of Operations (cont)

Senegal

- Astron now continued to carry the development costs in Senegal
- The project is being evaluated for future development

Titanium metal project

- The Group is continuing to work on design of equipment and ongoing research in its Ti metal and alloy production project using Astron proprietary technology

Other Resource Investments

Subsequent to the half year end Astron Limited has entered into three agreements for the purchase of share equities in other listed entities. As announced to the ASX these provide Astron Limited with an opportunity after due diligence to invest further in assets that have the potential to vertically integrate with Astron's current businesses and key strengths in China. To date these investments have not had a material impact on the Group individually or in total.

3. Auditors Independence Declaration

A copy of the independence declaration by the lead auditor under section 307C is included on Page 12 to this half year report.

Signed in accordance with a resolution of the Board of Directors:



Director:

Mr Gerard King

Dated this 27th day of February 2009

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF ASTRON LIMITED**

I declare that, to the best of my knowledge and belief, during the year-year ended 31 December 2008 there have been:

- no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Astron Limited and the entities it controlled during the period.



Jeff Abela
Director



BDO Kendalls Audit & Assurance Services (NSW-VIC) Pty Ltd

Sydney, 27 February 2009

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Consolidated Income Statement

For the Half Year ended 31 December 2008

	31 December 2008 \$	31 December 2007 \$
Sales Revenue from continuing operations	1,780,804	195,709
Cost of sales	(1,393,153)	(169,206)
Gross profit	387,651	26,503
Other revenue	5,430,460	56,580
Other income	49,738	9,903,742
Distribution costs	(278,893)	(224,411)
Marketing costs	(9,813)	(3,937)
Occupancy costs	(63,717)	-
Administrative costs	(1,835,685)	(1,334,606)
Impairment of capitalised development expenditure	(346,271)	-
Costs associated with Gambian and Senegal Investments	(887,527)	-
Impairment of Gambian equity investment	(63,535)	(5,950,062)
Other expenses	(97,160)	(758,196)
Loss from equity accounted investments - associates	-	(297,165)
Share of loss of joint ventures accounted for using the proportionate method	(39,615)	(38,184)
Profit/(Loss) before income tax	2,245,633	1,380,264
Income tax expense	(1,261,490)	(729,330)
Profit/(Loss) from continuing operations	984,143	650,934
Profit from discontinued China operations	4,846,090	264,305
Profit attributable to members	5,830,233	915,239
Earnings Per Share:		
Overall operations:		
Basic earnings per share (cents per share)	9.02	1.50
Diluted earnings per share (cents per share)	9.02	1.50
Continuing operations:		
Basic earnings per share (cents per share)	1.52	1.07
Diluted earnings per share (cents per share)	1.52	1.07
Discontinuing operations:		
Basic earnings per share (cents per share)	7.50	0.43
Diluted earnings per share (cents per share)	7.50	0.43
Dividends:		
Final dividend per share paid (cents)	10.00	20.00

The accompanying notes form part of the financial statements.

Astron Limited

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Consolidated Balance Sheet

As At 31 December 2008

	31 December	30 June
	2008	2008
	\$	\$
ASSETS		
Current assets		
Cash and cash equivalents	181,932,943	185,656,025
Trade and other receivables	5,370,365	8,423,480
Inventories	6,167,794	3,357,587
Total current assets	193,471,102	197,437,092
Non-current assets		
Property, plant and equipment	22,642,768	15,648,380
Intangible assets	20,572,774	19,898,255
Total non-current assets	43,215,542	35,546,635
TOTAL ASSETS	236,686,644	232,983,727
LIABILITIES		
Current liabilities		
Trade and other payables	3,770,385	6,868,781
Current tax liabilities	1,260,624	-
Provisions	8,069,565	14,154,348
Total current liabilities	13,100,574	21,023,129
Non-current liabilities		
Provisions	40,000	40,000
Total non-current liabilities	40,000	40,000
TOTAL LIABILITIES	13,140,574	21,063,129
NET ASSETS	223,546,070	211,920,598
EQUITY		
Share capital	39,539,848	39,203,511
Reserves	10,818,716	86,436
Retained earnings	173,187,506	172,630,651
TOTAL EQUITY	223,546,070	211,920,598

The accompanying notes form part of the financial statements

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Statement of Changes in Equity

For the Half Year Ended 31 December 2008

	Ordinary Shares \$	Retained Earnings \$	Reserves \$	Total \$
Period Ended 31 December 2008				
Equity as at 1 July 2008	39,203,511	172,630,651	86,436	211,920,598
Exchange differences on translation of foreign operations	-	-	11,949,139	11,949,139
Equity investment reserve transfer	-	1,216,859	(1,216,859)	-
Total income and expense for the year recognised directly in equity	-	1,216,859	10,732,280	11,949,139
Profit for the half year	-	5,830,233	-	5,830,233
Total income and expense for the half year	-	5,830,233	-	5,830,233
Shares issued during the half year	793,764	-	-	793,764
Transaction costs	(3,634)	-	-	(3,634)
Shares bought back during the year	(453,793)	-	-	(453,793)
Dividends paid or provided for	-	(6,490,237)	-	(6,490,237)
Equity as at 31 December 2008	39,539,848	173,187,506	10,818,716	223,546,070
Year ended 30 June 2008				
Equity as at 1 July 2007	29,619,643	72,830,286	(4,502,556)	97,947,373
Exchange differences on translation of foreign operations	-	-	619,933	619,933
Exchange differences recycled on sale of China businesses	-	-	5,670,829	5,670,829
Gains on disposal of available-for-sale financial assets credited to Income Statement	-	-	(1,701,770)	(1,701,770)
Total income and expense for the year recognised directly in equity	-	-	4,588,992	4,588,992
Profit for the year to 30 June 2008	-	111,887,287	-	111,887,287
Total income and expense for the year	-	111,887,287	-	111,887,287
Shares issued during the year	10,082,565	-	-	10,082,565
Transaction costs	(19,456)	-	-	(19,456)
Shares bought back during the year	(479,241)	-	-	(479,241)
Dividends paid or provided for	-	(12,086,922)	-	(12,086,922)
Equity as at 30 June 2008	39,203,511	172,630,651	86,436	211,920,598

The accompanying notes form part of the financial statements

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Statement of Changes in Equity

For the Half Year Ended 31 December 2008

	Ordinary Shares \$	Retained Earnings \$	Reserves \$	Total \$
Period Ended 31 December 2007				
Equity as at 1 July 2007	29,619,643	72,830,286	(4,502,556)	97,947,373
Exchange differences on translation of foreign operations	-	-	169,085	169,085
Gains on disposal of available-for-sale financial assets credited to Income Statement	-	-	(1,701,770)	(1,701,770)
Total income and expense for the year recognised directly in equity	-	-	(1,532,685)	(1,532,685)
Profit for the half year	-	915,239	-	915,239
Total income and expense for the half year	-	915,239	(1,532,685)	(617,446)
Shares issued during the half year	10,042,965	-	-	10,042,965
Transaction costs	(18,256)	-	-	(18,256)
Dividends paid or provided for	-	(12,086,922)	-	(12,086,922)
Equity as at 31 December 2007	39,644,352	61,658,603	(6,035,241)	95,267,714

The accompanying notes form part of the financial statements

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Consolidated Cash Flow Statement

For the Half Year Ended 31 December 2008

	31 December 2008 \$	31 December 2007 \$
Cash from operating activities:		
Receipts from customers	6,242,528	87,683,600
Payments to suppliers and employees	(4,152,537)	(80,353,468)
Interest received	5,422,818	79,143
Interest paid	-	(736,755)
Income taxes received/(paid)	-	(97,386)
Net cash from operating activities	7,512,809	6,575,134
Cash flows from investing activities:		
Proceeds from sale of investment	-	6,302,497
Acquisition of property, plant and equipment	(2,717,152)	(8,595,643)
Additional investment in equity accounted Joint Venture	-	(108,976)
Payment for acquisition of subsidiary	(50,000)	-
Development expenditure	(1,082,593)	(882,415)
Net cash used by investing activities	(3,849,745)	(3,284,537)
Cash flows from financing activities:		
(Payments)/Proceeds from the issue of shares	(457,427)	(18,256)
(Repayments)/Proceeds of borrowings	(3,988,354)	1,387,147
Dividends paid to company shareholders	(5,696,473)	(2,265,351)
Net cash used by financing activities	(10,142,254)	(896,460)
Net (decrease)/increase in cash and cash equivalents	(6,479,190)	2,394,137
Cash and cash equivalents at beginning of period	185,656,025	9,784,235
Effect of exchange rates on cash held in foreign currencies at the beginning of the period	2,756,108	219,887
Cash and cash equivalents at end of period	181,932,943	12,398,259

The accompanying notes form part of the financial statements

Astron Limited

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Notes to the Condensed Financial Statements

For the Period Ended 31 December 2008

1 Statement of Significant Accounting Policies

This general purpose financial report for the interim half-year reporting period ended 31 December 2008 has been prepared in accordance with Australian Accounting Standard 134 "Interim Financial Reporting" and the Corporations Act 2001.

The historical cost basis has been used, except for available-for-sale financial assets which have been measured at fair value.

This interim report does not include all the notes of the type normally included in an annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report. Accordingly, this interim financial report is to be read in conjunction with the annual report for the year ended 30 June 2008 and any public announcements made by Astron Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The same accounting policies and methods of computation have been followed in this interim financial report as compared with the most recent annual financial report.

2 Profit from Ordinary Activities

Significant Revenue and Expenses

	31 December 2008 \$	31 December 2007 \$
The following significant revenue and expense items are relevant to explaining the financial performance:		
<u>Continuing Operations</u>		
Gains on sale of available-for-sale financial assets	-	2,534,292
Fair value of hedge receivable	-	7,274,374
Impairment of Equity accounted associate investment and receivable	(63,535)	(5,950,062)
Costs associated with Gambian and Senegal Investments	(887,527)	-
Deferred Tax expense on disposal of available for sale financial assets	-	(729,330)
Stock write down	-	(754,227)
<u>Discontinuing Operations</u>		
Adjustments to profit on sale of Zircon Group	(1,190,494)	-
Adjustment to provision for indemnification on discontinued operations	6,036,584	-

3 Dividends

Dividends paid for during the half-year:

	31 December 2008 \$	31 December 2007 \$
Final unfranked dividend of 10c (2007: 20c) per share	6,490,237	12,086,922

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Notes to the Condensed Financial Statements

For the Period Ended 31 December 2008

4 Seasonality and Irregular Trends

No seasonal or irregular trends were noted during the review period.

5 Contingent Liabilities and Contingent Assets

There have been no changes in contingent liabilities or contingent assets since the last annual reporting date 30 June 2008.

6 Issued Capital

	31 December	30 June
	2008	2008
	\$	\$
64,918,137 (2007: 64,878,372) Fully Paid Ordinary	39,539,848	39,203,511

Issues of Ordinary Shares During the Half Year

	31 December	30 June
	2008	2008
	No.	No.
At the beginning of reporting period	64,667,538	60,434,610
Shares issued during the year		
- Shares issued as remuneration	-	121,962
- Shares bought back during the year	(268,233)	(234,834)
- On 12 December 2007 shares issued in accordance with the Dividend reinvestment plan	-	4,345,800
- On 12 December 2008 shares issued in accordance with the Dividend reinvestment plan	518,832	-
At reporting date	64,918,137	64,667,538

7 Subsequent Events

Subsequent to the half year end Astron Limited has entered into a number of agreements for the purchase of share equities in other listed entities.

As announced to the ASX these provide Astron Limited with an opportunity to invest in assets that have the potential to vertically integrate with Astron's current businesses and key strengths in China. To date these investments have not had a material impact on the Group individually or in total.

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Notes to the Condensed Financial Statements

For the Period Ended 31 December 2008

8 Subsidiaries

On 22 December 2008 Astron Limited paid \$50,000 to acquire Coast Resources Limited which holds a 50% interest in Carnegie Minerals (Gambia) Limited and the Senegal Joint Venture.

This results in Astron acquiring the remaining 50% of Joint Venture Entity Carnegie Minerals (Gambia) Limited becoming a 100% subsidiary of Astron Limited for the sum of \$1 as all assets of the company have been impaired. This acquisition was transacted to simplify the process of Astron pursuing its legal rights under that mining lease (if it chooses to do so) in an endeavour to recover the operation or damages for its loss.

Details of the net assets acquired and goodwill in respect of the transaction are as follows:

	Gambia	Senegal	Total
	\$	\$	\$
Cash paid	1	49,999	1
Fair value of net identifiable assets acquired (see below)	-	49,999	-
Goodwill/(Discount on acquisition)	1	-	1

Further to the above, Astron acquired the remaining 50% of the Senegal Joint Venture for the sum of \$49,999. The assets arising from the acquisition are as follows:

	Acquiree's carrying value	Fair Value
Cash	26,175	26,175
Capitalised exploration costs	520,472	19,315
Plant and equipment	4,509	4,509
Net identifiable assets acquired	551,156	49,999

The acquired businesses contributed revenues of \$Nil and net profits of \$Nil to the Group from acquisition date to 31 December 2008. If the acquisition had occurred on 1 July 2008 consolidated revenue and profit would have been unchanged.

There were no new subsidiaries incorporated.

9 Segment Reporting

(a) Business Segments

The Group operates predominately in two segments, mineral trading and processing and evaluation and exploration.

Astron Limited

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Notes to the Condensed Financial Statements

For the Period Ended 31 December 2008

9 Segment Reporting (cont)

(b) Primary reporting - Business segments

	Mineral Trading		Evaluation & Exploration Expenditure		Head Office / Unallocated		Total of Continuing Operations		Discontinued Operations Chemical Manufacturing and Mineral Processing		Consolidated	
	31/12/08	31/12/07	31/12/08	31/12/07	31/12/08	31/12/07	31/12/08	31/12/07	31/12/08	31/12/07	31/12/08	31/12/07
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenue from external customers:												
Sales	1,780,804	195,709	-	-	-	-	1,780,804	195,709	-	81,327,442	1,780,804	81,523,151
Other revenue/income	49,292	653	25,971	115	5,404,935	9,959,554	5,480,198	9,960,322	-	1,150,547	5,480,198	11,110,869
Total revenue/income	1,830,096	196,362	25,971	115	5,404,935	9,959,554	7,261,002	10,156,031	-	82,477,989	7,261,002	92,634,020
Segment result												
Segment results	(1,265,313)	(697,580)	(77,179)	(6,285,296)	3,588,125	8,363,140	2,245,633	1,380,264	4,846,090	866,733	7,091,723	2,246,997
Income tax expense	-	-	-	-	(1,261,490)	(729,330)	(1,261,490)	(729,330)	-	(602,428)	(1,261,490)	(1,331,758)
Net profit for the period	(1,265,313)	(697,580)	(77,179)	(6,285,296)	2,326,635	7,633,810	984,143	650,934	4,846,090	264,305	5,830,233	915,239

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Notes to the Condensed Financial Statements

For the Period Ended 31 December 2008

10 Discontinuing Operations

(a) Description

Further to Astron's sale of the Chinese Zircon division to Imerys on 4 February 2008 there have been some ongoing transactions to complete the terms of the contract. The significant adjustment has been a restatement of the indemnification on discontinuing operations booked in the June 2008 accounts as Astron has been able to quantify the current position as at 31 December 2008.

Financial information relating to the discontinued operation for the six months to 31 December 2008 and the six months to 31 December 2007 is set out below. Further information is set out in Note 9 – segment information.

(b) Financial Performance and Cashflow information

The financial performance and cashflow information presented are for the six months ended 31 December 2008 and the six months ended 31 December 2007.

Results of Chinese Operations

	31 December 2008	31 December 2007
Revenue	-	81,327,442
Other income	6,036,584	1,150,547
Expenses	(1,190,494)	(81,611,256)
Profit before income tax	4,846,090	866,733
Income tax expense	-	(602,428)
Profit after income tax of discontinued operations	4,846,090	264,305
Net cash inflow from operating activities	-	1,755,591
Net cash (outflow) from investing activities	-	(6,354,280)
Net cash (outflow) from financing activities	-	1,387,147
Effect of exchange rate on cash	-	39,360
Net increase/(decrease) in cash generated by the division	-	(3,172,182)

- (c) In the six month period to 31 December 2007 a derivative gain of \$7,274,374 on hedge contracts taken out on anticipated sales proceeds was made.

Astron Limited

ABN 97 000 285 272

Statement by Directors

The directors of the Company declare that:

1. the financial statements and notes, as set out on pages 13 to 22, are in accordance with the Corporations Act 2001 and:
 - (a) give a true and fair view of the financial position of the consolidated entity as at 31 December 2008 and of its performance, as represented by the results of its operations and cash flows for the half year ended on that date; and
 - (b) comply with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
3. 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 signed in accordance with a resolution of the Board of Directors.



Director
Mr Gerard King

Dated 27th February 2009

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Astron Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Astron Limited, which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, a description of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the disclosing entity and the entities it controlled at the half-year end or from time to time during the half-year in order for the disclosing entity to lodge the half-year financial report with the Australian Securities and Investments Commission.

Directors' Responsibility for the Half-Year Financial Report

The directors of the disclosing entity are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the disclosing entity's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Astron Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001* would be in the same terms if it had been given to the directors at the time that this auditor's review report was made.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Astron Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and Corporations Regulations 2001.



BDO Kendalls Audit & Assurance (NSW-VIC) Pty Ltd



Jeff Abela
Director

Sydney, 27 February 2009