

17 October 2024

Completion of Institutional Placement and Launch of Non-Renounceable Entitlement Offer to Raise ~\$13 million

Astron Corporation Limited (ASX: ATR) (Astron or Company) is pleased to announce the successful completion of an institutional placement (**Placement**), which raised \$3 million, and the launch of a pro rata non-renounceable entitlement offer (**Entitlement Offer**), to raise approximately \$10 million (the Placement and the Entitlement Offer collectively, the **Capital Raising**).

The Capital Raising has the following components:

- Placement – The Placement raised \$3 million on 16 October 2024 through subscription by institutional and sophisticated investors for new CDIs (CHESS Depositary Instruments) in the Company at \$0.66 per CDI. The new CDIs acquired through the Placement will not be eligible to participate in the Entitlement Offer; and
- Entitlement Offer to raise approximately \$10m – Eligible securityholders will be invited to subscribe for 1 new CDI for every 12 existing CDIs held at 7.00pm (Melbourne Time) on Tuesday, 22 October 2024, at an offer price of \$0.66 per new CDI. Fractional entitlements to New CDIs will be rounded up to the nearest whole number of new CDIs.

The Entitlement Offer is non-renounceable and entitlements will not be tradeable on the ASX or otherwise transferable. Securityholders who do not take up their entitlement in full will not receive any value in respect of entitlements not taken up.

The proceeds of the Capital Raising will be used primarily to prepare for the start of commercial production at the Donald Rare Earth and Mineral Sands Project in regional Victoria through the completion of pre-engineering and construction planning activities prior to a final investment decision which is expected in early 2025. Other uses of proceeds include: the completion of a feasibility study of the potential for processing part of the Donald Project's heavy mineral concentrate product at Astron's Yingkou mineral separation plant in China; exploration on Astron's 100% owned retention licence (RL2003) which contains the Jackson Deposit and adjoins the Donald Deposit mineral licences (MIN5532 and RL2002 which are the subject of the Donald Project Joint Venture with Energy Fuels Inc); investigations into redomiciling the Company's parent entity from Hong Kong to Australia; costs of the Capital Raising and working capital purposes.

All of the Company's directors (including Mr. Tiger Brown, the Company's largest shareholder), and the Company's second largest shareholder, Mr. Tan Ruiqing, have provided firm indications that they will take up their full rights under the Entitlement Offer. This represents a commitment of approximately \$7.3 million.

The issue price of \$0.66 per new CDI under the Capital Raising represents a discount of:

- 12.0% to the last traded price of Astron CDIs before the Entitlement Offer was announced (being \$0.75 on 14 October 2024);
- 10.8% to the theoretical ex-rights price (TERP) based on the last traded price of Astron CDIs before the Entitlement Offer was announced (being \$0.74).

The Capital Raising is not underwritten. New CDIs issued under the Capital Raising will rank equally with existing CDIs on issue.

The Lead Managers for the Capital Raising are Morgans Corporate Limited and Blue Ocean Equities Pty Limited.

Astron's Managing Director, Tiger Brown, said: "We are very pleased with the results of the Placement, which was strongly supported by new investors and over-subscribed. The Capital Raising and ancillary transactions not only place the Company in a strong position to continue driving the Donald Project towards a positive final investment decision in early 2025, but also strengthen the balance sheet as it heads towards globally significant mineral sands and rare earths production."

Astron expects its trading halt to be lifted and its CDIs to recommence trading from market open today. The ex-entitlement date is Monday, 21 October 2024.

Placement

New CDIs issued under the Placement will rank equally with existing Astron CDIs.

Settlement of the Placement is scheduled for Wednesday, 23 October 2024, with new CDIs expected to be issued Thursday, 24 October 2024 and trading to commence on ASX the same day.

Entitlement Offer

The Entitlement Offer, to raise up to approximately \$10 million, will open on Thursday, 24 October 2024 and is expected to close at 5.00pm Australian Eastern Daylight Savings Time (AEDT) on Tuesday, 19 November 2024. The Entitlement Offer is not underwritten. However all of the Company's directors (including Mr. Tiger Brown, the Company's largest shareholder), and the Company's second largest shareholder, Mr. Tan Ruiqing, have provided firm indications that they will take up their full rights under the Entitlement Offer. This represents a commitment of approximately \$7.3 million.

The Record Date for the Entitlement Offer is 7.00pm (AEDT) on Tuesday, 22 October 2024. Securityholders who are eligible to participate in the Entitlement Offer (**Eligible Securityholders**) will have the opportunity to subscribe for 1 new CDI for every 12 existing CDIs at an offer price of \$0.66 per new CDI.

Astron expects to dispatch the Entitlement Offer Document, and personalised entitlement and acceptance forms, to Eligible Securityholders no later than Thursday, 24 October 2024. Eligible Securityholders are encouraged to carefully read the Entitlement Offer Document for further details of the offer.

If you are an Eligible Securityholder and you have questions about the offer, please contact the Astron Corporation Limited Information Line on 1300 850 505 (for calls within Australia) and +61 3 9415 4000 (for calls from outside Australia) between 8:30am and 5:00pm (AEDT) Monday to Friday during the Offer Period for further information. The Information Line will open on Thursday, 24 October 2024.

Indicative Timetable

Event	Date
Trading Halt	15 October 2024
ASX Announcement of Entitlement Offer	17 October 2024
Trading commences on an ex-entitlement basis	21 October 2024
Record Date to determine entitlements to participate in the Entitlement Offer (7.00pm AEDT)	22 October 2024
Settlement of new CDIs issued under the Placement	23 October 2024
Entitlement Offer opens (9.00am AEDT)	24 October 2024
Entitlement Offer Document and Entitlement and Acceptance Forms dispatched to Eligible Securityholders	24 October 2024
Allotment and commencement of trading of CDIs issued under the Placement	24 October 2024
Entitlement Offer closes (5.00pm AEDT)	19 November 2024
Settlement of new CDIs issued under the Entitlement Offer	22 November 2024
Allotment of new CDIs issued under the Entitlement Offer*	25 November 2024
Commencement of normal trading of new CDIs issued under the Entitlement Offer	26 November 2024

Further details in relation to the Entitlement Offer are contained in the Investor Presentation announcement released today, 17 October 2024.

Conversion of Director Loans

In conjunction with the Capital Raising, the Company has also agreed with its Non-Executive Director, Mdm Rong Kang, to convert \$2.2 million of her loan balance at 30 June 2024 (representing historical cash contributions to the Company over many years) to equity at the offer price of \$0.66 per New CDI, resulting in the issue of 3,313,459 CDIs.

In conjunction with this loan conversion, Mdm Rong Kang has also agreed to forgive \$1.97 million of management fees payable which were outstanding at 30 June 2024.

As Mdm Rong Kang is a Director of the Company, the conversion of her loan into equity is subject to shareholder approval which will be sought at the Company's upcoming Annual General Meeting.

This announcement has been authorised for lodgement to ASX by the Managing Director of Astron.

For Further Information, contact:

Tiger Brown, Managing Director
+61 3 5385 7088

Joshua Theunissen, Australian Company Secretary
+61 3 5385 7088
Joshua.theunissen@astronlimited.com

About Donald Rare Earths and Mineral Sands Project

The Donald Project, located in the Wimmera Region of Victoria, Australia, has the potential to become a globally significant, long-life supplier of critical rare earth elements (REE), including neodymium, praseodymium, dysprosium, and terbium as well as zirconium, hafnium and titanium minerals. It contains over 2.6 billion tonnes of Mineral Resources at 4.4% HM grade and comprises two adjoining deposits, the Donald Deposit (which constitutes the area covered by MIN5532 and RL2002 and is the subject of a Joint Venture between Energy Fuels Inc. and Astron) and the Jackson Deposit (RL2003).

About Astron

Astron Corporation Limited (ASX: ATR) is an Australian-based company listed on the ASX. With over 35 years of operating history, Astron has been involved in mineral sands processing, downstream product development, and the marketing and sales of zirconium and titanium related products. Astron's prime focus is the development of its large, long-life Donald Rare Earths and Mineral Sands Project in regional Victoria, Australia. In addition to its Australian assets, the company also conducts a mineral sands trading operation based in Shenyang, China and owns and operates a zircon and titanium chemicals research facility, which includes a mineral separation facility processing mineral concentrate products into final products, in Yingkou, China.

Important notices

This notice may not be released or distributed in the United States. This notice does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The entitlements and the New CDIs to be offered and sold in the Entitlement Offer have not been, and will not be, registered under the US Securities Act of 1933 (the US Securities Act) or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, in the United States unless they are offered and sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

This announcement contains certain forward-looking statements and comments about future events. Forward-looking statements can generally be identified by the use of forward-looking words such as, 'expect', 'anticipate', 'likely', 'intend', 'should', 'could', 'may', 'predict', 'plan', 'propose', 'will', 'believe', 'forecast', 'estimate', 'target' and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. Forward-looking statements involve inherent risks and uncertainties, both general and specific, and there is a risk that such predictions, forecasts, projections and other forward-looking statements will not be achieved. A number of important factors could cause Astron's actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward looking statements and many of these factors are beyond Astron's control. Refer to the various risk factors on pages 21 – 24 of the investor presentation released to the ASX on XX September 2024. Forward-looking statements are provided as a general guide only, and should not be relied on as an indication or guarantee of future performance and involve known and unknown risks, uncertainty and other factors, many of which are outside the control of Astron. As such, undue reliance should not be placed on any forward-looking statement. Past performance information given in this announcement is given for illustrative purposes only and is not necessarily a guide to future performance and no representation or warranty is made by any person as to the likelihood of achievement or reasonableness of any forward-looking statements, forecast financial information or other forecast. Nothing contained in this announcement is to be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of Astron.

The information contained in this announcement does not constitute financial product advice (nor investment, taxation, accounting or legal advice), is not a recommendation to acquire Astron CDIs and is not intended to be used or relied upon as the basis for making an investment decision. This announcement has been prepared without taking into account the investment objectives, financial position or needs of any individuals. Before making any investment decisions, prospective investors should consider the appropriateness of the information having regard to their own investment objectives, financial situation and needs and should seek investment, legal, accounting and taxation advice appropriate to their jurisdiction. Astron is not licensed to provide financial product advice in respect of Astron CDIs. Cooling off rights do not apply to the acquisition of Astron CDIs pursuant to the Entitlement Offer.

For personal use only