



ASX Release Donald Mineral Sands Mining Licence Granted

Astron Limited (ASX: ATR) is pleased to announce that the mining license for the Donald Mineral Sands project in North Western Victoria, Australia has been granted by the Department of Primary Industries Victoria.

Astron's Managing Director, Alex Brown said,

‘This is a critical milestone for the company. The company is continuing with designs for its processing plants, and this together with the completion of a mining work plan, will result in milestones being achieved by the company to progress towards full development of the Donald project’.

The mining licence (MIN5532), has a 20 year term (renewable), and has successfully had an environmental effects statement completed over the area. Within the mining license area (a small section of the 4.5 Billion tonne calculated at 1%HM cut-off grade, Donald and Jackson total resource announced in April 2010) are contained the following VHM (Valuable Heavy Mineral) resources and reserves (as per release 4th August 2010):

Donald Mineral Sand Mineral Resource and Ore Reserve Estimate								
Location		Classification	Tonnes (Mt)	HM (%)	Ilmenite (% of HM)	Leucoxene (% of HM)	Rutile (% of HM)	Zircon (% of HM)
Ore Reserve	Project Area 1 (MIN5532 Application)	Probable	169	6.2	31	21	4.2	18
	Project Area 2 (South of MIN5532 within EL4433)	Probable	136	6.4	33	17	4.7	20
	Total	Probable	305	6.3	32	19	4.4	19
Mineral Resource	Project Area 1 (MIN5532 Application)	Indicated	200	6.1	31	21	4.2	18
		Inferred	70	5.9	34	19	3	19
	Project Area 2 (South of MIN5532 within EL4433)	Indicated	170	6.2	33	17	4.7	20
		Inferred	140	5.4	31	16	3.1	18
	EL4433 (Excluding Project Areas 1 and 2)	Inferred	800	5.7	34	15	0.4	18
	Total	Indicated	370	6.1	32	19	4.5	19
		Inferred	1010	5.7	33	16	1	18

Notes 1: Ore Reserves

The Mineral Resource estimates are inclusive of the Ore Reserve Estimates.

The Ore Reserve Estimate is based on Indicated Mineral Resources contained within mine designs above an economic cut-off.

The figures presented were rounded and include mining dilution and ore loss. The Ore Reserve Estimate has been derived as part of a mining study prepared to a conceptual level of accuracy with estimates prepared within $\pm 30\%$. The mining study is based on an operation that will produce ore concentrated on site and ship the concentrate to China for separation into final products. A mine design and production and cash flow schedules, incorporating mining and metallurgical modifying factors, were prepared. The economic assessment achieved a positive cash flow for a range of downside sensitivities, of both prices and costs, beyond the $\pm 30\%$ accuracy of the project. Costs and modifying factors used in the mining study assume mining by conventional open pit methods utilising hydraulic excavators and haul trucks. Modifying factors applied include mining dilution (5%) and ore loss of (5%). Metallurgical recoveries and costs have been derived by batch testing of bulk samples. The schedule is based on an ore production rate of 7.5 Mtpa. The expected project life is over 40 years (over 20 years within MIN5532).

Note 2: Mineral Resource

The Mineral Resource is inclusive of the Ore Reserve.

The Mineral Resource Estimate is based on the material above a cut-off grade of 1% HM.

The figures presented were rounded to the nearest 10M for tonnes, decimal place for % Rutile and % HM and whole number for % Ilmenite, Leucoxene and Zircon.

Competent Persons Statements

The information in this report relating to Mineral Resources is based on information compiled by Rod Webster. Rod Webster is a full time employee of AMC Consultants Pty Ltd (AMC) and a Member of the Australasian Institute of Mining and Metallurgy. Mr Webster has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity he undertook to qualify as a Competent Person as defined in The JORC Code, 2004 Edition.

The information in this report relating to Ore Reserves is based on information compiled by Mr Pier Federici. Mr Federici is a Member of the Australasian Institute of Mining and Metallurgy and a full time employee of AMC. He has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity he undertook to qualify as Competent Person as defined in The JORC Code, 2004 Edition. Mr Federici consents to the public release of the material contained within this report.

The metallurgical factors and assumptions used in producing the Ore Reserve Estimate have been reviewed and accepted by Mr Neil Dawson. Mr Dawson is a Member of the Australasian Institute of Mining and Metallurgy and a full time employee of Titanatek Pty Ltd. He has sufficient experience relevant to the style of mineralisation and type of deposit, and to the activity he undertook to qualify as Competent Person as defined in The JORC Code, 2004 Edition. Neil Dawson consents to the public release of the material contained within this report.

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Figure 1: Location Map



