Astro Resources NL

Quarterly Report

29 July 2011

QUARTERLY REPORT, PERIOD ENDING 30 JUNE 2011

The Directors of Astro Resources NL ("Astro" or the "Company") are pleased to present their Quarterly Report for the period ended 30 June 2011.

COMPANY PROFILE

Astro is an Australian based resources company focused on the exploration and investment opportunities of the global resources sectors. The Company has current interests in Western Australia and the Northern Territory and is currently seeking out new company making project and investment opportunities.

EXCLUSIVITY AGREEMENT – MINERAL SANDS PROJECT

As announced on the 6 June 2011, Astro entered into an Exclusivity Agreement to a review a JORC compliant mineral sands project. The Company is currently finalising negotiations with a view to executing binding agreements to securing the rights to a material acquisition for the Company.

OPERATIONS

Macphee Creek Project

The Macphee Creek Project (E80/3243) straddles the Great Northern Highway and is centred over a belt of Proterozoic granite approximately 130km from Kununurra in the Kimberly region of Western Australia.

Macphee Creek hosts 6 documented uranium occurrences in the northern portion of the project, which assisted the interpretation of aeromagnetics flown by the company in 2009 and 2010 resulting in the identification of a number of targets.

As previously announced the Company intends to undertake a drilling program over the key prospects of the project. The Company is currently waiting for heritage protection approvals to allow for the submission of Program of Works (POW) for a targeted drilling program.

Diamonds

Additionally, the aeromagnetic interpretation undertaken on Macphee revealed the potential for significant diamond prospectivity in the southern portion of the tenement that is coincident with results reported by Argyle Diamond Mines in 1987.

Magnetic anomalies have been identified for geological mapping and sampling for diamond potential, which is to coincide with the program of work at the Lissadell Road Dykes project.

North Doolgunna Gold Project

The North Doolgunna Gold Project (Astro holds 60% through its wholly owned subsidiary, North Doolgunna Metals Pty Ltd) embraces three granted exploration licences (E52/2480, E52/2481, E52/2482) to the immediate southwest of the Plutonic Gold Mine in the highly productive Peak Hill Goldfield.

Previously, the Company undertook a partial leach soil geochemistry program focused on E52/2482. Although only low gold levels were detected, the sampling returned anomalous Nickel (Ni) and Chromium (Cr) values indicative of mafic lithology which have the potential to host gold mineralisation. High levels of uranofile elements, U/Th/Sc and Rare Earths were also detected.

Moving forward, the Company intends to undertake further close spaced sampling over the identified areas of interest in the NW of E52/2482 located around the confluence of the two major structures.

Diamonds

Astro continues to evaluate strategic options for its diamond assets.

Lissadell Road Dykes Project

The Argyle Dykes Project (also known as the Lissadell Road Dykes Project) consists of three contiguous leases located approximately 116 kilometres south- southwest of Kununurra and 9 kilometres west of Argyle Diamond Mine.

In-line with its focus to realise value from its diamond assets, the Company intends to undertake a focused exploration program on the Argyle Dykes to confirm diamond prospectivity. It is intended that the drilling program for Lissadell is to coincide with Macphee which is awaiting heritage protection approval prior to the submission of a POW.

A combination of geology, geochemistry and RAB drilling will be used to test for further dykes beneath alluvial cover and a diamond drill hole is proposed to obtain samples of fresh Lamproite for additional test work.

Lower Smoke Creek and Carr Boyd Range

The Lower Smoke Creek (E80/4316) and Carr Boyd Range (E80/4316) Projects are two adjacent tenements (under application) covering an estimated 160 kms2 located approximately 110 kilometres south southwest of Kununurra in the East Kimberly region of Western Australia.

Carr Boyd Range lies approximately 12kms north of Argyle diamond mine and abuts the lower smoke creek drainage area, the site of the original diamond finds, resulting in the discovery of the Argyle AK1 diamond pipe, and is considered highly prospective for similar primary diamond intrusions.

During the quarter native title negotiations continued to progress with grant of the tenements pending.

APPENDIX 5B

Attached is a copy of the Company's Mining Exploration Quarterly Report in accordance with Listing Rule 5.3.

ENDS

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Astro Resources NL

ABN	Quarter ended ("current quarter")
96 007 090 904	June 2011

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A'000	Year to date (12 months) $A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(38)	(465)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(338)	(972)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	12	109
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	(57)	(51)
	Net Operating Cash Flows	(421)	(1,379)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(1)	(9)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	(1)	(9)
1.13	Total operating and investing cash flows (carried forward)	(422)	(1,388)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(422)	(1,388)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	1,039
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	1,039
	Net increase (decrease) in cash held	(422)	(349)
1.20	Cash at beginning of quarter/year to date	2,233	2,160
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter**	1,811	1,811

Payments to directors of the entity and associates of the directors Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	108
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

$66,000 of "1.7 Other" expenses relates to due diligence expenses.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

-

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

-

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	180
4.2	Development	-
4.3	Production	-
4.4	Administration	200
	Total	380

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	773	1,195
5.2	Deposits at call	1,038	1,038
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	1,811	2,233

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	-	-	-	-
6.2	Interests in mining tenements acquired or increased	-	-	-	-

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities** *(description)*	-	-	-	-
7.2	Changes during quarter (a) Increases through issues	-	-	-	-
	(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3	**+Ordinary securities**	1,730,034,572	1,730,034,572	-	-
7.4	Changes during quarter (a) Increases through issues	-	-	-	-
	(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5	**+Convertible debt securities** *(description)*	-	-	-	-
7.6	Changes during quarter (a) Increases through issues	-	-	-	-
	(b) Decreases through securities matured, converted	-	-	-	-
7.7	**Options** *(description and conversion factor)*			*Exercise price*	*Expiry date*
		319,163,322	319,163,322	$0.05	30/11/2012
		250,000	-	$0.04	19/10/2011
		11,000,000	-	$0.02	31/03/2012
		13,565,356	-	$0.25	30/04/2012
		130,000,000	-	$0.01	30/06/2012
		47,500,000	-	$0.01	31/07/2013
		5,500,000	-	$0.02	07/10/2012
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	**Debentures** *(totals only)*	-	-	-	-
7.12	**Unsecured notes** *(totals only)*	-	-	-	-

+ See chapter 19 for defined terms.

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: L McCreery (Company Secretary) Date: ....29 July 2011....

Print name: ....Lynton McCreery........

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.