

ASTRO RESOURCES NL

ACN 007 090 904

NOTICE OF GENERAL MEETING

AND

EXPLANATORY STATEMENT TO SHAREHOLDERS

The General Meeting of Shareholders of the Company will be held at 10:00AM on 26 April 2012 (WST) at Ground Floor, 3 Richardson Street, West Perth, Western Australia 6005.

The Notice of General Meeting, Explanatory Statement and Proxy Form should be read in their entirety. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser prior to voting.

ASTRO RESOURCES NL

ACN 007 090 904

NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting of Shareholders of the Company will be held at Ground Floor, 3 Richardson Street, West Perth, Western Australia 6005, on 26 April 2012 at 10:00AM (WST).

The Proxy Form forms part of this Notice of General Meeting.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company at 4:00PM on 23 April 2012 (WST).

ORDINARY BUSINESS

1. Resolution 1 – Ratification of Previously Issued Shares

To consider and, if thought fit, to pass the following Resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 250,000,000 Shares to professional and sophisticated investors on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 1 by any person who participated in the issue and any associates of that person. However, the Company need not disregard a vote if cast by a person as proxy for a person who is entitled to vote, in accordance with the direction on the Proxy Form or it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. Resolution 2 – Approval of Placement Options

To consider and, if thought fit, to pass the following Resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders ratify the grant of 62,500,000 Options to professional and sophisticated investors on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 2 by any person who is entitled to participate in the issue and any associates of that person. However, the Company need not disregard a vote if cast by a person as proxy for a person who is entitled to vote, in accordance with the direction on the Proxy Form or it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. Resolution 3 – Approval of Underwriters Fee Options

To consider and, if thought fit, to pass the following Resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders ratify the allotment and issue of 350,000,000 Options to Pareto Capital (or its nominees) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast on this Resolution by Pareto Capital and sub-underwriters who participated in the issue and any associates of Pareto Capital and sub-underwriters. However, the Company need not disregard a vote if cast by a person as proxy for a person who is entitled to vote, in accordance with the direction on the Proxy Form or it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

EXPLANATORY STATEMENT

Shareholders are referred to the Explanatory Statement accompanying and forming part of this Notice of General Meeting for further information in relation to the Resolutions.

Capitalised terms used in this Notice of General Meeting of Shareholders are defined in schedule 1 of the Explanatory Statement.

PROXIES

Shareholders are encouraged to attend the Meeting, but if you are unable to attend the Meeting, we encourage you to complete and return the enclosed Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- every Shareholder has the right to appoint a proxy
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

To vote by proxy, please complete and sign the Proxy Form enclosed with this Notice of General Meeting and return it as soon as possible to the Company by:

- Facsimile (08) 9486 1258 (international dial: +61 8 9486 1258)
- Post PO Box 1728
WEST PERTH WA 6872
Australia

Proxy Forms must be received by the Company no later than 5pm (WST) on 20 April 2012.

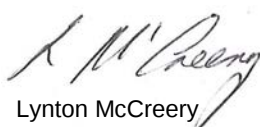
Proxy Forms received later than this time would be invalid.

CORPORATE REPRESENTATIVES

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the meeting when registering as a corporate representative.

If a representative of the corporation is to attend the Meeting a "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry website at www.linkmarketservices.com.au/corporate/investorservices/forms.

By order of the Board



Lynton McCreery
Company Secretary

23 day of March 2012

ASTRO RESOURCES NL

ACN 007 090 904

EXPLANATORY STATEMENT

Introduction

This Explanatory Statement has been prepared to assist Shareholders of the Company in understanding the business to be put to Shareholders for their consideration at the forthcoming General Meeting.

1. Resolution 1 – Ratification of Previously Issued Shares

As announced to the ASX on 23 February 2012 the Company, pursuant to the terms of the Placement issued 250,000,000 Shares to investors compliant with section 708 of the Corporations Act, raising \$500,000.

Resolution 1 seeks ratification of the issues of Shares pursuant to the Placement.

The effect of Shareholders passing Resolution 1 will be to “refresh” the number of securities, which the Company can issue within any 12-month period in accordance with ASX Listing Rule 7.1. This will allow the Company to raise further working capital up to a maximum of 15% of the Company's total issued Shares, without the need to obtain members approval prior to the capital raising.

Listing Rules information requirements

Listing Rule 7.1 provides that prior approval of Shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by a company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 states that an issue by a company of securities made without approval under ASX Listing Rule 7.1 is treated as having been made with approval for the purpose of ASX Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the company's members subsequently approve it.

Under Resolution 1, the Company seeks Shareholder approval for, and ratification of, the issue of the Shares as set out below so as to restore the Company's capacity under Listing Rule 7.1 to issue further securities representing up to 15% of the Company's issued capital in the next 12 months. In accordance with Listing Rule 7.5, the Company provides the following information:

Number Allotted: 250,000,000 ordinary Shares

Allotment Date/Date of Issue: The 250,000,000 Shares were allotted and issued 29 February 2012

Issue Price: \$0.002 (0.2cents).

Allottees: Issued to sophisticated and professional investors pursuant to section 708 of the Corporations Act 2001 (*Cth*). No related party participated in the allotment of Shares.

Terms: The Shares issued pursuant to the Placement are fully paid ordinary shares in the capital of the Company, which rank equally in all respects with the Company's existing Shares.

Intended Use of Funds: Exploration programs and general working capital for the Company.

Voting Exclusion: An appropriate voting exclusion statement is included in the Notice of General Meeting.

2. Resolution 2 – Approval of Placement Options

As announced to the ASX on 23 February 2012 the Company issued securities to investors compliant with section 708 of the Corporations Act, raising \$500,000 pursuant to the terms of the Placement.

Resolution 2 seeks Shareholder approval to issue the Options pursuant to the terms of the Placement.

Listing Rule Information Requirements

Listing Rule 7.1 prevents, subject to certain exceptions, the Company from issuing, or agreeing to issue, equity securities in any 12 month period which amounts in excess of 15% of the issued ordinary shares of the Company (as it stands at the beginning of the 12 month period) without Shareholder approval.

In accordance with Listing Rule 7.3, the Company provides the following information:

Maximum Number of Securities to be Issued: 62,500,000 Options

Allotment Date/Date of Issue: No later than 3 months from the date of the meeting.

Issue Price: Free-attaching, with one (1) Option allotted for each four (4) Shares issued pursuant to the Placement provided in Resolution 1.

Allottees: To be issued to sophisticated and professional investors pursuant to section 708 of the Corporations Act 2001 (*Cth*), No related party will participate in the allotment of the Options.

Terms: The Options will be issued on the terms and conditions outlined in Schedule 2.

Intended Use of Funds: No funds will be received from the issue of the Options, however funds received from their exercise will contribute to exploration programs and general working capital.

Voting Exclusion: An appropriate voting exclusion statement is included in the Notice of General Meeting.

3. Resolution 3 –Approval of Underwriters Fee Options

As announced to the ASX on 23 February 2012 the Company has undertaken to raise approximately \$2.6million by way of a non-renounceable fully-underwritten Rights Issue. Pursuant to the terms of the Underwriting Agreement, the Underwriter is entitled to 350,000,000 Options as part consideration for the underwriting of the Rights Issue ("Underwriter Options").

Resolution 3 seeks Shareholder approval to issue the Underwriter Options pursuant to the terms & conditions of the Underwriting Agreement.

In the event the Company does not obtain Shareholder approval to issue the Underwriter Options on or prior to the Closing Date of the Rights Issue, the Underwriter may choose, at its sole discretion, to terminate its obligations under the Underwriting Agreement.

Listing Rules information requirements

Listing Rule 7.1 prevents, subject to certain exceptions, the Company from issuing, or agreeing to issue, equity securities in any 12 month period which amounts in excess of 15% of the issued ordinary shares of the Company (as it stands at the beginning of the 12 month period) without Shareholder approval.

In accordance with Listing Rule 7.3, the Company provides the following information:

Maximum Number of Securities to be Issued: 350,000,000 Options

Allotment Date/Date of Issue: No later than 3 months from the date of the meeting.

Issue Price: Nil

Allottees: To be issued to sophisticated and professional investors pursuant to section 708 of the Corporations Act 2001 (*Cth*). No related party participated in the allotment of the Options.

Terms: The Options will be issued on the terms and conditions outlined in Schedule 2.

Intended Use of Funds: No funds will be received from the issue of the Options, however funds received from their exercise will contribute to exploration programs and general working capital.

Voting Exclusion: An appropriate voting exclusion statement is included in the Notice of General Meeting.

SCHEDULE 1: DEFINITIONS

“ASX” means ASX Limited or the financial market operated by ASX Limited known as the Australian Securities Exchange, as the context requires.

“ASX Listing Rule” or “Listing Rule” means the ASX Listing Rules as so named and provided by ASX Limited.

“Board” means the current board of Directors of the Company.

“Chairman” means the chairman of the Board.

“Company” or “Astro” means Astro Resources NL, ACN 007 090 904.

“Corporations Act” means the Corporations Act 2001 (Cth).

“Constitution” means the constitution of the Company.

“Director” means a director of the Company.

“Explanatory Statement” means this explanatory statement accompanying the Notice of General Meeting.

“Notice of General Meeting” means the notice convening the General Meeting accompanying this Explanatory Statement.

“Pareto Capital” means Pareto Capital Pty Ltd ACN 131 858 681 (AFSL 389395)..

“Placement” means the placement made to professional investors pursuant to section 708 of the Corporations Act as announced on 23 February 2012. The Placement consisted of 250,000,000 Shares and 62,500,000 Options. The Shares were issued on 29 February and the Options to be issued following the approval of the Company's shareholders at this General Meeting

“Proxy Form” means the form of proxy accompanying the Notice of General Meeting.

“Option” means an option over a fully paid ordinary share in the capital of the Company on the terms and conditions set out in Schedule 2 to this Notice of General Meeting.

“Resolution” means a resolution proposed to be passed at the General Meeting and contained in this Notice of General Meeting.

“Rights Issue” means the non-renounceable, fully underwritten rights issue as disclosed to Shareholders 23 February 2012, whereby Shareholders will be eligible to apply for three (3) shares for every five (5) shares held at the record date, and will be issued one (1) free attaching Option for each four (4) Shares issued.

“Share” means an ordinary share in the Company.

“Shareholder” means a person entered in the Company's register as a holder of a Share.

“Shareholders Meeting” or “Meeting” means the meeting of Shareholders convened for the purposes of considering the Resolutions contained in this Notice of General Meeting.

“Trading Day” means With respect to shares in a company listed on ASX, a day on which the shares are tradeable on ASX.

SCHEDULE 2: TERMS AND CONDITIONS OF OPTIONS

- (a) Each Option entitles the Option Holder to subscribe for one (1) fully paid ordinary Share in the Company.
- (b) No amount is payable on grant of the Options.
- (c) The exercise price of each Option is \$0.005 (0.5 cents) (**Exercise Price**).
- (d) Each Option may be exercised at any time before 5.00pm Sydney, New South Wales local time on 30 June 2014 (**Expiry Date**). Any Option not exercised by the Expiry Date will automatically expire.
- (e) The Company will give the Option Holder a holding statement stating:
 - (i) the number of Options issued to the Option Holder;
 - (ii) the exercise price of the Options; and
 - (iii) the date of issue of the Options.
- (f) The Options are transferable. Subject to the Listing Rules and the Corporations Act, the Option Holder may transfer some or all of the Options at any time before the Expiry Date by way of
 - (i) a proper ASX Settlement transfer or any other method permitted by the Corporations Act; or
 - (ii) a prescribed instrument of transfer.
- (g) An instrument of transfer of an Option must be:
 - (i) in writing;
 - (ii) in any usual form or in any other form approved by the Directors and its share registry that is otherwise permitted by law;
 - (iii) subject to the Corporations Act, executed by or on behalf of the transferor, and if required by the Company, the transferee; and
 - (iv) delivered to the Company, at the place where the Company's register of Option Holders is kept, together with the certificate (if any) of the Option to be transferred and any other evidence as the Directors require to prove the title of the transferor to that Option, the right of the transferor to transfer that Option and the proper execution of the instrument of transfer.
- (h) The Company will apply to ASX for Official Quotation of the Options.
- (i) The Company will apply to ASX for Official Quotation of the Shares issued on the exercise of Options.
- (j) The Option Holder is not entitled to participate in any new issue to Existing Shareholders of securities in the Company unless they have exercised their Options before the Record Date for determining entitlements to the new issue of securities and participate as a result of holding Shares. The Company must give the Option Holder notice of the proposed terms of the issue or offer in accordance with Listing Rules.
- (k) If the Company makes a bonus issue of Shares or other securities to Shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and no Share has been issued in respect of the Option before the Record Date for determining entitlements to the issue, then the number of underlying Shares over which the Option is exercisable is increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the Option before the Record Date for determining entitlements to the issue.
- (l) If there is a reorganisation (including consolidation, sub-division, reduction or return) of the Share capital of the Company, then the rights of the Option Holder (including the number of Options to which the Option Holder is entitled to and the exercise price) is changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (m) Any calculations or adjustments which are required to be made will be made by the Company's Board of Directors and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option Holder.
- (n) The Company will, within a reasonable period, give to the Option Holder notice of any change to the exercise price of any Options held by the Option Holder or the number of Shares which the Option Holder is entitled to subscribe for the exercise of an Option.
- (o) To exercise Options, the Option Holder must give the Company or its Share Registry, at the same time:
 - (i) a written exercise notice (in the form approved by the board of the Company from time to time) specifying the number of Options being exercised and Shares to be issued; and
 - (ii) payment of the Exercise Price for the Options, the subject of the exercise notice, by way of bank cheque or by other means of payment approved by the Company.
- (p) The Option Holder may only exercise Options in multiples of 500 Options unless the Option Holder exercises all Options held by the Option Holder.
- (q) Options will be deemed to have been exercised on the date the exercise notice is lodged with the Directors of the Company.
- (r) If the Option Holder exercises less than the total number of Options registered in the Option Holder's name the Company will issue the Option Holder a new Holding Statement stating the remaining number of Options held by the Option Holder.
- (s) Within 7 days after receiving an application for exercise of Options and payment by the Option Holder of the Exercise Price, the Company will issue the Option Holder the number of Shares specified in the application.
- (t) Subject to the Company's Constitution, all Shares issued on the exercise of Options will rank in all respects (including rights relating to dividends) *pari passu* with the existing ordinary shares of the Company at the date of issue.
- (u) These terms and the rights and obligations of the Option Holder are governed by the laws of Western Australia. The Option Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia

PROXY FORM



Astro Resources NL

ABN 96 007 090 904

Name
Company
Address 1
Address 2
Address 3

LODGE YOUR VOTE



By Mail:

Astro Resources NL
PO Box 1728
West Perth WA 6872
Australia



By Fax:

+61 8 9486 1258



All enquiries to:

Tel: +61 8 6389 5777

SRN/HIN: X9999999999999999

STEP 1 APPOINT A PROXY TO VOTE ON YOUR BEHALF

I/We being a member(s) of Astro Resources NL and entitled to attend and vote hereby appoint:

☐

**The
Chairman of
the Meeting
(mark box).**

OR

if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy.

or failing the person/body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at a General Meeting of the Company to be held at 10:00am (WST) on Friday 26 April 2012, at Ground Floor, 3 Richardson Street; West Perth, Western Australia 6005 and at any adjournment or postponement of the meeting.

STEP 2 VOTING DIRECTIONS

Please read the voting instructions overleaf before marking any boxes with an ☒



*If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Resolutions

		For	Against	*Abstain
1	Ratification of Previously Issued Shares	☐	☐	☐
2	Approval of Placement Options	☐	☐	☐
3	Approval of Underwriters Fee Options	☐	☐	☐



The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

STEP 3 SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

HOW TO COMPLETE THIS PROXY FORM



Astro Resources NL

ABN 96 007 090 904

For your vote to be effective it must be signed and received by 5:00 pm (WST) on Friday, 20 April 2012

Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

Appointment of a Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%

Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in step 1 overleaf.

A proxy need not be a shareholder of the Company.

Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: Where the holding is in one name, the holder must sign.

Joint Holding: Where the holding is in more than one name, all of the security holders should sign.

Power of Attorney: To sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place. Delete titles as applicable

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate security holder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from the Company by telephoning +61 8 6389 5777.

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

LODGEMENT OF A PROXY FORM

This Proxy form (and any Power of Attorney under which it is signed) must be received at an address given below by 5:00pm (WST) on Friday 20 April 2012, being not later than 48 hours before the commencement of the meeting. Any proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the reply paid envelope or:



By Mail:

Astro Resources NL
PO Box 1728
West Perth WA 6872
Australia



By Fax:

+61 8 9486 1258



By Hand:

Delivering it to:

Astro Resources NL
Ground Floor, 3 Richardson Street; West Perth WA 6005.

If you would like to attend and vote at the General Meeting, please bring this form with you.

This will assist in registering your attendance.