

UPDATE ON THE NEEDLES PROGRAM

Astro Resources NL is an Australian-based mineral resources company focused on the commercial development and production of economically and environmentally sustainable mineral sands deposits, diamonds, gold and other minerals.

Astro Resources NL (**ARO** or the **Company**) is pleased to advise the initial report on the field mapping segment of the exploration programme at the Needles Property in Nevada USA was completed on 6th October 2020.

The US consultant geologist's report on the ten (10) day mapping program contained the following information:

- a total of almost two hundred (200) prospects, historic mining sites, and zones of alteration and mineralization were visited (Figure 1, set out in the Appendix);
- these included detailed mapping of twenty-eight (28) historic mine and mineral prospect sites (Figure 2, set out in the Appendix);
- as instructed by Astro, the US consultant geologist collected as many structural geology measurements on identified outcrop as was possible within the time frame, recording one hundred and fifty-three (153) structural measurements (Figure 3 set out in the Appendix);
- the US consultant also recorded twenty-eight (28) assessments of volcanic rock compaction, which directly relates to the relative porosity of the rocks, which is critical to the Round Mountain exploration model that Astro is using;
- a total of ninety seven (97) surface rock chip samples were collected at various prospect locations and submitted to ALS-Global (Chemex) certified assay laboratory in Reno Nevada, for fire assay for gold (30g sample Au-A23) and thirty-five (35) multielement analyses by ICP with AES finish for trace and major elements. The sample locations are shown in Figure 4 of the Appendix; and
- all locations described were photographed and close-up photographs of all samples were taken for reference purposes.

The **comments** of the US consultant geologist are as follows:

1. the mineralization and alteration is controlled by geological structures;
2. dominant northeast structures are offset by northwest structures and locally by east-west structures, with the mineralization and alteration localized by the intersections of these structures;
3. alteration is widespread, with its tenor and style consistent with a high vertical level epithermal system (the palaeosurface of the epithermal system is interpreted to be no more than one hundred (100) metres above the current weathering surface); and
4. levels of compaction of the sub-horizontal volcanics vary from weak to strong indication that the property has both porous volcanic host rocks (weak) to impervious cap rocks (strong), both of which are critical to the Round Mountain exploration model.

The conclusions and recommendations of the US consultant geologist are as follows:

1. both a high level epithermal style bonanza gold mineralization system in sub-vertical structures and a bulk, sub-horizontal Round Mountain style epithermal gold mineralization system are potentially present in the property;
2. both styles of mineralization should be tested, the sub-vertical zones with angled drilling, and a reconnaissance vertical hole for the sub-horizontal mineralization style;
3. a carefully designed DC/IP survey would elucidate the chargeability anomaly detected in the 2018 reconnaissance survey and focus future drilling sites; and
4. all the above conclusions should be considered in light of the pending assay results.

Laboratory tests

The Company advises that due to a back log, it has been advised that it will take approximately six (6) weeks to receive the tests from the laboratory. A final report including in the results will be made available as soon as possible.

Authorisation

The contents of this announcement has been authorised by the Board of Astro.

ENDS

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Competent Person Statement

The information in this announcement that relates to the Needles Property is based on information compiled by Richard Newport. Mr Newport, who is a member of the Australian Institute of Geoscientists, has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Newport consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Appendix

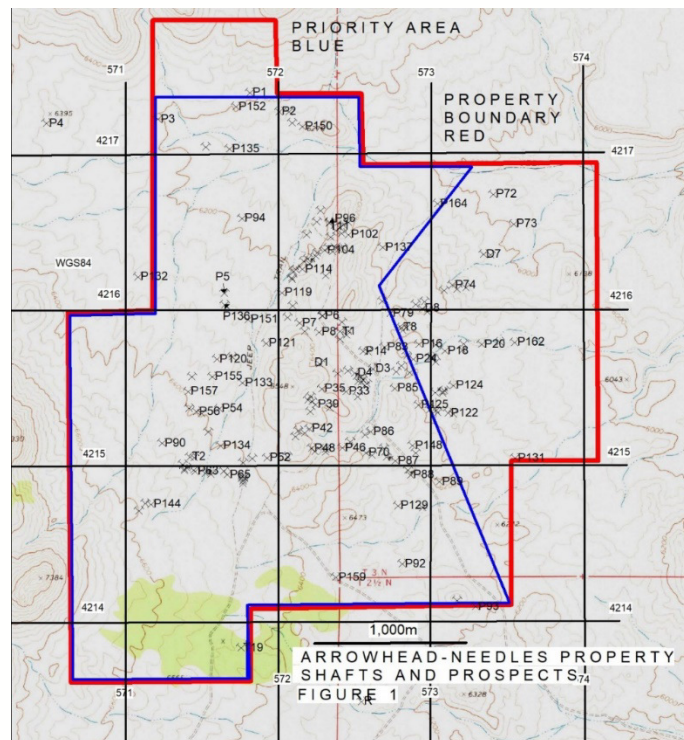


Figure 1 Prospects visited.

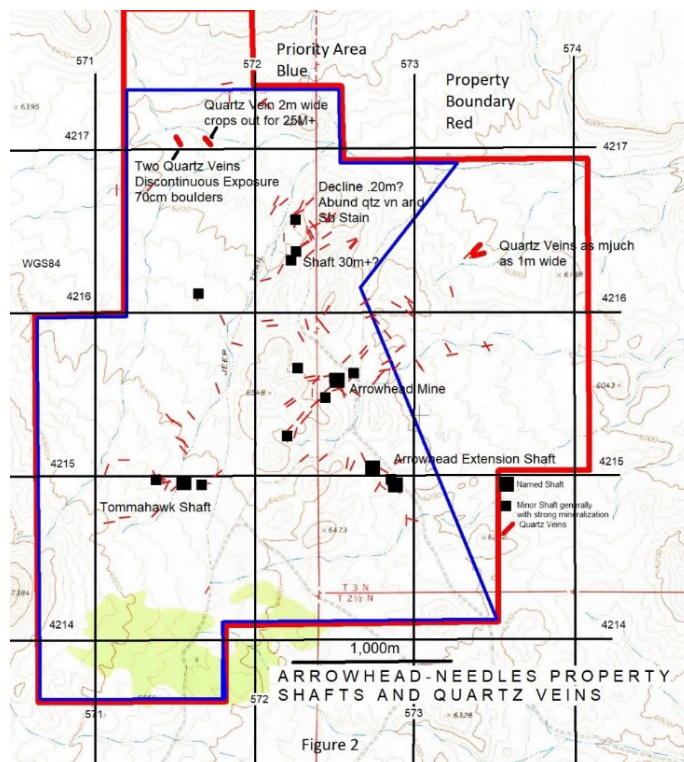


Figure 2 Historic mine sites.

Appendix (continued)

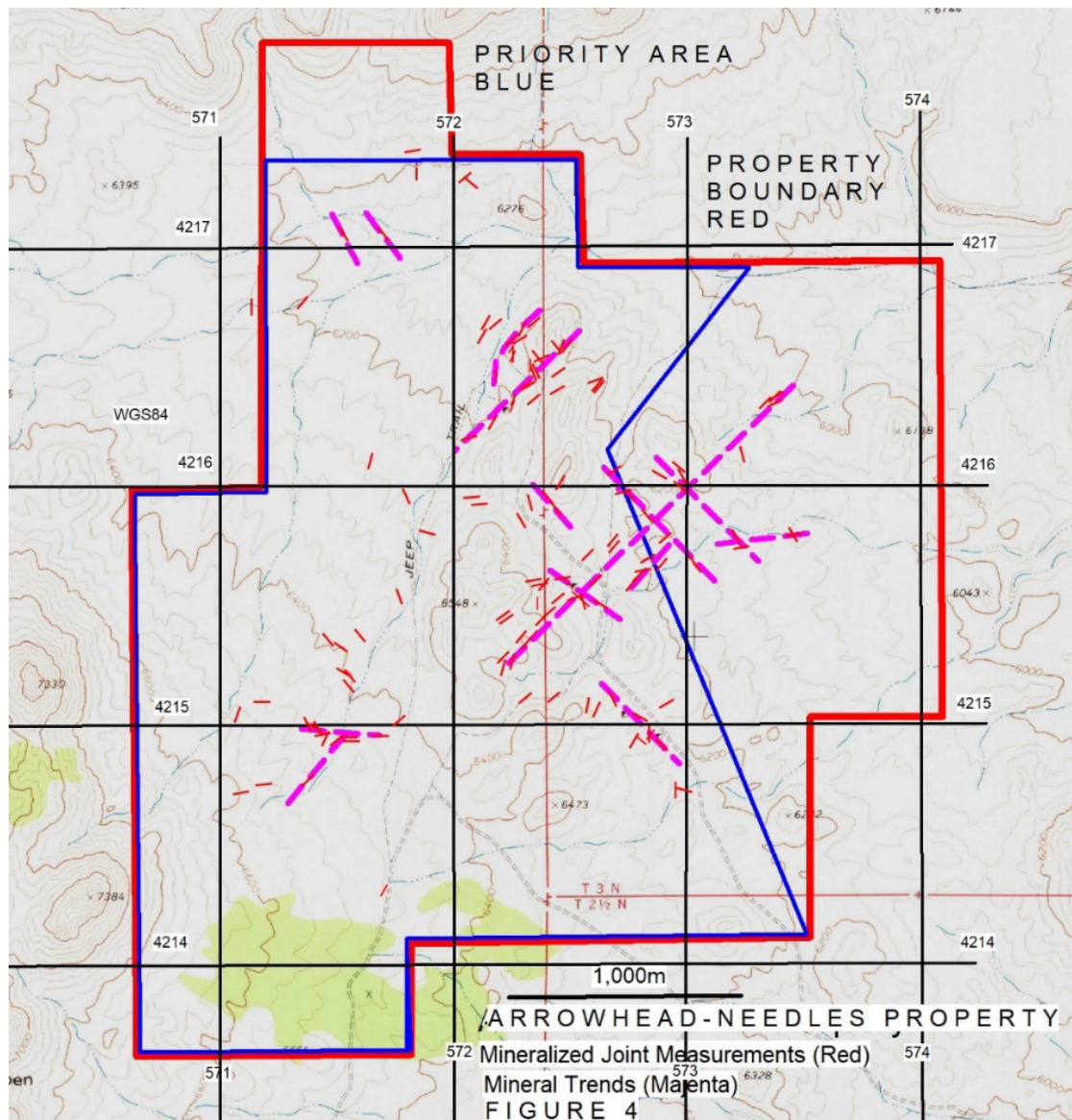


Figure 3 Structural measurements and trend synthesis (in red)

Appendix (continued)

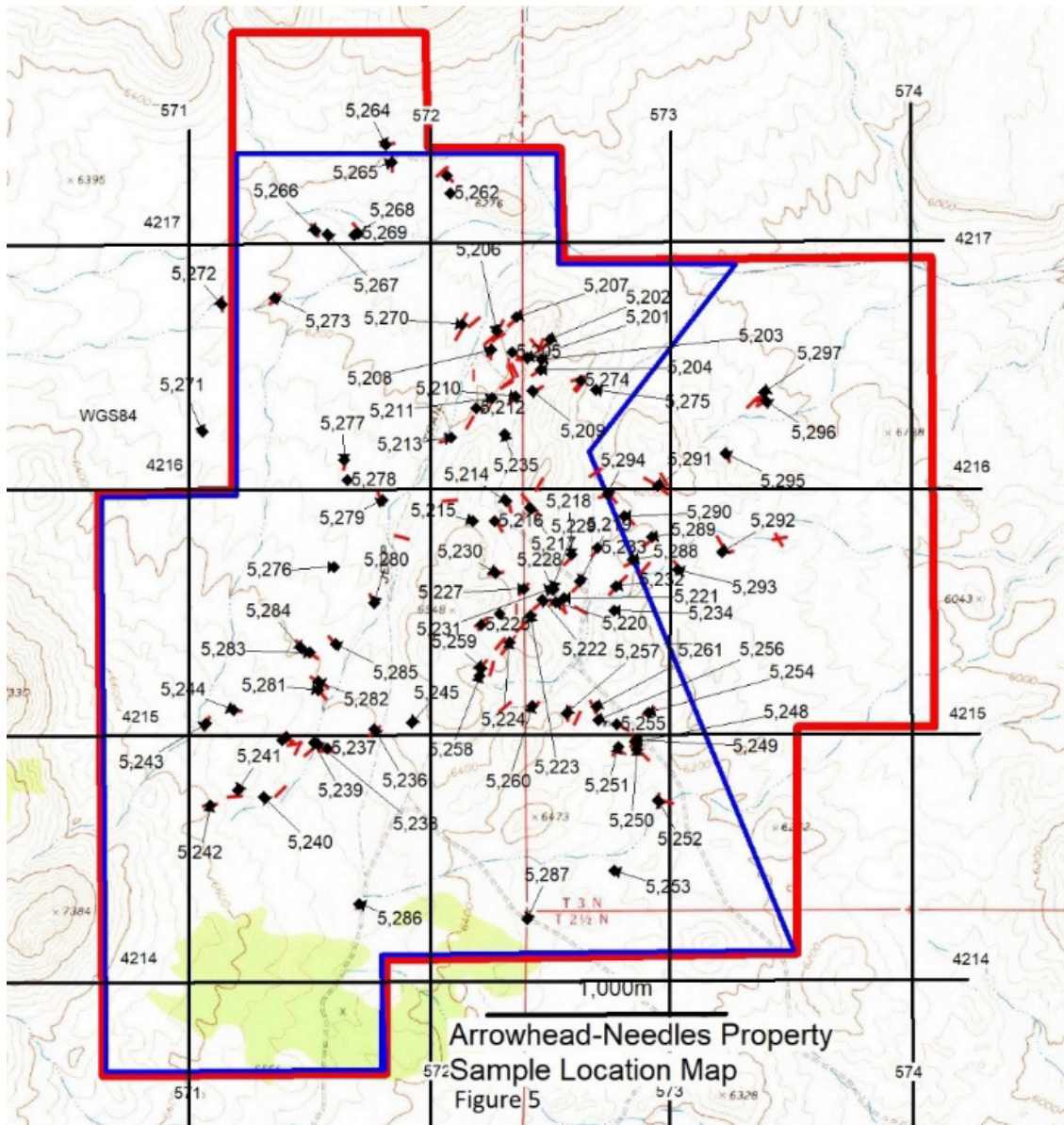


Figure 4 Rock Chip Sample locations