

11 June 2021

PAUSE IN EAST KIMBERLEY DIAMOND PROGRAM OF WORKS

Key Highlights

- > **East Kimberley Diamond Program of Works (POW) currently paused due to delays in reaching agreement with the Traditional Owners of the Lower Smoke Creek site**
- > **Funds raised in February 2021, earmarked for the Kimberley Diamond Project, will now be applied towards further exploration work at the Company's the Needles Gold Project, USA**
- > **Astro remains committed to exploring the Kimberly Diamond Project upon achievement of POW**

Astro Resources NL (ASX:ARO) ("**ARO**", "**Astro**" or "the **Company**") would like to advise that there has been a temporary pause in the East Kimberley Diamond POW, due to delays in reaching an agreement with the Traditional Owners of the Lower Smoke Creek site - which is a condition of the POW. This delay has occurred as a direct result of travel constraints caused by Covid-19, which has made it difficult for Astro to readily travel to Kununurra to finalise the POW.

As flagged in the Company's ASX release dated 31 May 2021, Astro has been in ongoing discussions with the Traditional Owners of the land to allow the Company to proceed with its field work. The details of such field work has been outlined in the Company's ASX release dated 21 February 2021. As also noted within this release, the Company received an agreement from the Traditional Owners legal representative – which, subject to what is considered to be a minor change, is in line with the Traditional Owners agreement. However since that date, the Company has received a further counter proposal from the Traditional Owners, which will necessitate further negotiations.

Whilst this delay is unfortunate, Astro remains firmly committed to continuing exploration at its Kimberley Diamond Project and has engaged SRK to prepare an application to extend the current licence beyond August 2021. SRK will also review past work and plans so that a new plan can be derived to ensure that maximum value for the project is made going forward.

The funds secured in the capital raising in February 2021 that were originally earmarked for the Kimberley Diamond Project will be channelled into the Needles Gold Project in Nevada, USA (as outlined in the Company's ASX release dated 31 May 2021) and other potential opportunities for the Company's Governor Broome Heavy Mineral Sands Project in Western Australia.

Astro Chairman, Jacob Khouri said,

"We see this pause in the East Kimberly Diamond Program of Works as a minor setback to our exploration plans. We will continue our dialogue with the Traditional Owners of the Lower Smoke Creek site while we progress our Needles Gold and Governor Broome HMS projects. We remain firmly committed to continuing our work at the Kimberley Diamond Project and will update the market as we progress securing the necessary POW."

This announcement has been authorised for release by the board.

More Information

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