

24<sup>th</sup> February 2021

## ASTRO SUCCESSFULLY COMPLETES \$2.994 MILLION CAPITAL RAISING

### Highlights

- Completion of \$2.994 million to sophisticated investors to fund further development of the Company's portfolio of three projects in WA and the USA
- Capital raising to be carried out in two tranches comprising:
  - **Tranche 1** 498.9M shares at \$0.004 per share raising \$1.996 of which \$659,476 has been received the balance is subject to binding applications and funds to follow
  - **Tranche 2** Issue of an additional 249.6 million shares also at \$0.004 per share to raise a further \$0.9983 million for which the Company will seek Shareholder approval
- Major shareholder Holdmark Property Group to retain its 19.9% shareholding reinforcing its ongoing support for the Company.

Astro Resources NL (**ARO** or **the Company**) is pleased to advise it has completed a \$2.994 million capital raising to sophisticated investors at a price of \$0.004 per share, with one free attaching option at an exercise price of 1 cent and an expiry date of 21 April 2022. The capital raising is being conducted in two tranches:

- Tranche 1 – 498.9M shares (issued out of Listing Rule 7.1 and 7.1A capacity). The free attaching option is subject to shareholder approval.
- Tranche 2 – 249.6 million shares, issued subject to shareholder approval, expected to occur sometime in April 2021.

Astro has received funds totalling \$659,476 and binding applications for the balance. Allotment of Tranche 1 is to occur when the funds are received, which is expected to be no later than Friday 26 March 2021.

Major shareholder Holdmark Property Group (via HPG Urban Developments Pty Ltd) has agreed to participate in the offer and has agreed to subscribe for 166 million shares under Tranche 2. If approved, Holdmark Property Group will retain its shareholding level at 19.9%, reinforcing its ongoing support for the Company.

**Astro Chairman, Jacob Khouri, commented,** *“We are delighted with the outcome of this capital raising lead Melbourne Capital, which demonstrates the ongoing support of key shareholders and sophisticated investors of Astro and its exploration and development strategy across the three principal projects.*

*The Board is particularly excited by the fact that funding is in place to commence the execution of the Needles Gold Project drilling programs, progressing to a prefeasibility study for the Governor Broome*

HMS Project, in addition to now having the capacity to undertake a work at our diamond project in WA. We are confident that positive news flow lies ahead of us across our dynamic portfolio of projects.”

Melbourne Capital Limited (**MCL**) led the capital raising process. In addition, it has committed provide ongoing corporate advisory services to the Company for the next twelve months.

MCL will receive the following fees:

- a cash fee 6.0%;
- 20 million shares, subject to shareholder approval; and
- the issue of 250 million options – see capital structure below for the terms of the options – these options have been issued out of the existing capacity under Listing Rule 7.1.

## Use of funds

Assuming the Tranche 2 shares are approved, the funds will be used as follows:

Item	Cost
Needles Project	
- First drill program	\$920,000
- Second drill program	\$1,000,00
Governor Broome Project.	
- Remaining work	\$250,000
- Prefeasibility study	\$1,300,000
Lower Smoke Creek Project	\$1,015,000
<b>Total</b>	<b>\$3,485,000</b>

Funding for the additional amount of \$485,000 and working capital will come from the Company’s existing cash reserves.

Full details of the use of funds have been outlined in the market announcement dated 22 February 2021.

## Capital Structure

Based on the above and assuming that the Tranche 1 and Tranche 2 shares are issued, set out below is the proposed capital structure of the Company:

### **Fully paid ordinary shares**

On issue as at 19 March 2021	2,995,693,012
Tranche 1	498,000,000
Tranche 2	252,000,000
Broker Shares	20,000,000
<b>Total</b>	<b>3,765,693,012</b>

### **Options exercise price of 1 cent and 21 April 2022 expiry date**

On issue as at 19 March 2021	100,000,000
Tranche 1	498,000,000
Tranche 2	252,000,000
Broker Options	250,000,000
<b>Total</b>	<b>1,100,000,000</b>

### **Shareholders meeting**

The Company will conduct a General Meeting of shareholders (details to be provided shortly) to seek approval for:

- Ratification of Tranche 1; and
- The issue of shares under Tranche 2.

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## Authorisation

This announcement has been authorised for release by the board.

## More Information

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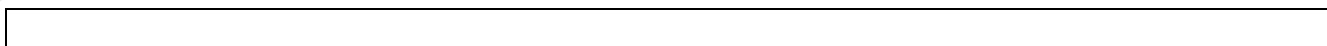
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