



18 March 2024

\$5m Convertible Note Extension

Astron Corporation Limited (**Astron, ASX:ATR**) refers to the announcements of 1 February 2022 and 18 March 2022 regarding the issue of Convertible Notes (**Notes**) to Collins Street Asset Management Pty Ltd (**CSAM**). Detailed terms of the Notes were set out in the notice of extraordinary general meeting dated 16 February 2022.

The Notes were issued to raise the amounts of \$5 million (**Principal Notes**), for the purpose of progressing the Donald Mineral Sands and Rare Earths Project in regional Victoria (**the Project**), and \$1 million to pay for capitalised interest (**Supplementary Notes**). The Notes had a maturity date of 17 March 2024.

The parties have agreed to extend the maturity date of the Principal Notes by 24 months to 17 March 2026. In addition, CSAM will convert the Supplementary Notes into Astron CDIs resulting in the issue of 1,851,852 new CDIs.

The terms of the extended Notes provide that interest of 10% per annum will be capitalised in advance every 6 months and paid by the issue of Supplementary Notes. The conversion rate for the Principal Notes and any new Supplementary Notes will remain at \$0.54 per CDI.

As a part of the extension, CSAM has agreed to exclude the tenements of MIN5532 and RL2002 from their general security. This will enable the tenements to be transferred to a newly established entity for the purposes of a Joint Venture under the terms of the Memorandum of Understanding executed on 28 December 2023.¹

The terms of the extended Notes include that Astron may require that CSAM convert the Notes into Astron CDIs in the event that certain conditions are met and Astron's right to redeem the notes at any time by making the appropriate cash payment and issuing equivalent options over Astron CDIs. Further information on the terms are shown in the Appendix to this release.

Astron's Managing Director Tiger Brown commented, "I want to thank Collins Street Asset Management for their continued support of the Company and belief in our operational strategy as demonstrated by the conversion of one million Supplementary Notes. The extension of the remaining Notes is a good outcome for Astron security-holders as it enables the Company to preserve capital to drive its objective of bringing the world-class Donald Project to a Final Investment Decision later this year."

This is authorised for release by the Managing Director of Astron.

About Astron

Astron Corporation Limited (ASX: ATR) is an Australian-based company listed on the ASX. With over 35 years of operating history, Astron has been involved in mineral sands processing, downstream product development, as well as the marketing and sales of zirconium and titanium related products. Astron's prime focus is on the development of its large, long-life Donald Rare Earths and Mineral Sands Project in regional Victoria, Australia. In addition to its Australian assets, the company also conducts a mineral sands trading operation based in Shenyang, China and owns and operates a zircon and titanium chemicals research facility in Yingkou, China, which includes a mineral separation facility processing mineral concentrate products into final products.

Note: All monetary amounts are denoted in Australian dollars (A\$)

¹ See ASX Announcement, Non-binding MoU – Donald Project JV & REEC Offtake Agreement, 28 December 2023

Appendix A. Terms of the Extension of the Principal Notes

Key Terms

Principal Amount	\$5 million
Duration	Extended by 2 years, to 17 March 2026
Interest	10% per annum, to be paid in advance at 6 monthly rests by the issue of Supplementary Notes, having a maturity date of 17 March 2026, on each of 17 March 2024, 17 September 2024, 17 March 2025 and 17 September 2025, on the number of Principal Notes on issue as at that date.
Redemption	<p>Astron may redeem and repay the Notes before the maturity date, provided that options over Astron CDIs, with an exercise price of \$0.54 per CDI, are issued for no additional consideration in the amount of FV/\$0.54, where:</p> <ul style="list-style-type: none">i) FV is the face value of the Notes redeemed, andii) if all of the Notes are redeemed prior to 17 March 2025, the options have an expiry date of the next to occur following the date of redemption of 17 September 2024 or 17 March 2025, unless the relevant Notes are redeemed in the period of 10 Business Days prior to that relevant date, in which case the expiry date shall be 10 Business Days after that relevant date; oriii) if the Notes are redeemed between 17 March 2025 and 1 January 2026, the options have an expiry date of 17 March 2026; oriv) if the Notes are redeemed thereafter, the options have an expiry date of 17 March 2027.
Conversion Rights	<p>Astron has the right to require the conversion of the Notes if the following conditions are satisfied:</p> <ul style="list-style-type: none">i) Astron enters into a Binding Agreement for:<ul style="list-style-type: none">a. a joint venture in relation to the Project where the joint venture partner acquires an interest of at least 49% in the Project; orb. the sale of at least 50% of the Project; andc. the Astron CDIs volume weighted average price (VWAP) is above 75 cents for 25 consecutive days; orii) Astron undertakes a capital raising of at least \$40 million to progress the construction of the first phase of the Project, and the Astron CDIs VWAP is above 80 cents for 25 consecutive days.