

Nov 25, 2021



Developing a World Class Halloysite-kaolin Project

An emerging Industrial Minerals producer with
numerous potential value chains

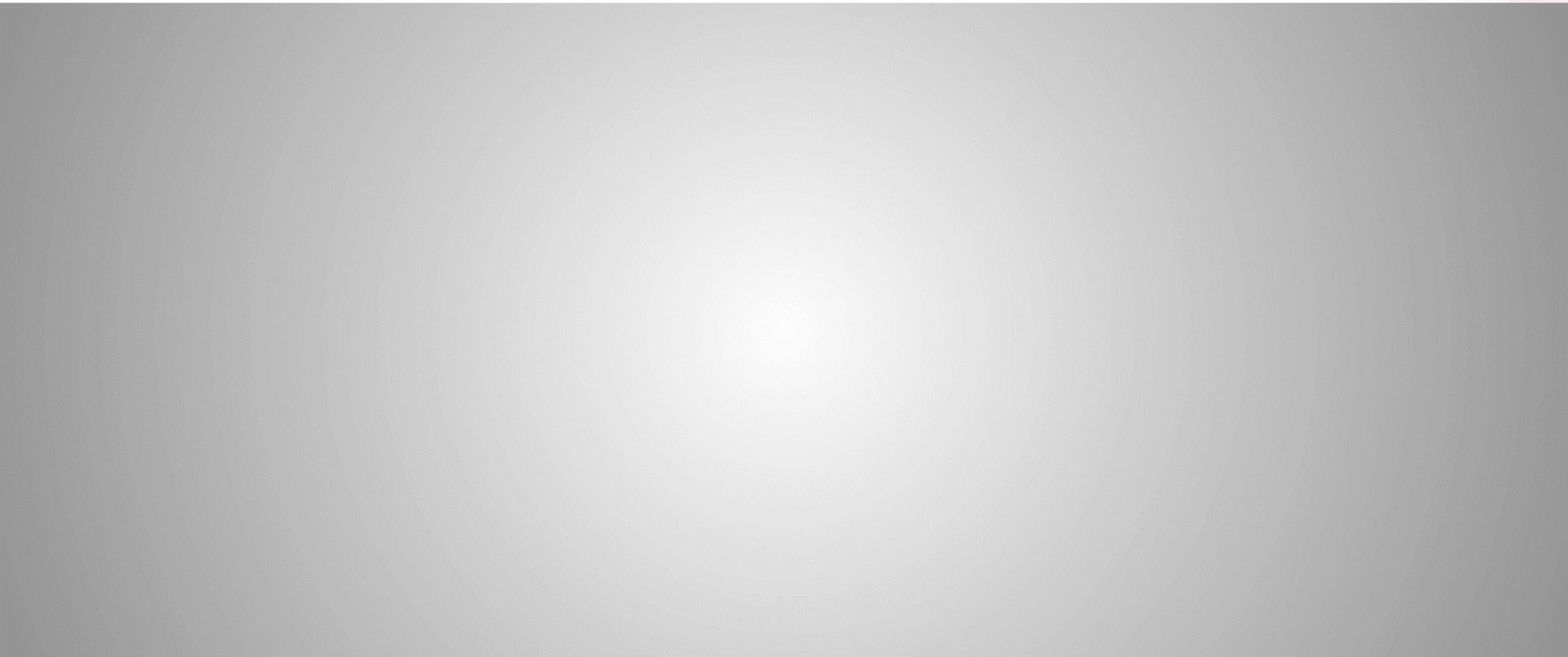
Great White Kaolin Project
Eyre Peninsula, South Australia

ASX:ADN
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Andromeda

METALS



Corporate overview



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\$410M

MARKET
CAPITALISATION

\$46M*

CASH

*30 Sep 2021

\$0M

DEBT

2,483M

FULLY PAID
ORDINARY SHARES

\$0.165

CURRENT SHARE
PRICE

Board members

- Rhod Grivas
Non-Executive Chairman
- James Marsh
Managing Director
- Joe Ranford
Operations Director
- Andrew Shearer
Non-Executive Director
- Melissa Holzberger
Non-Executive Director

Acquisition of Minotaur in Progress

**Andromeda and Minotaur to combine and create a leading
Australian industrial minerals and technology company**

KAOLIN and HALLOYSITE-KAOLIN

Great White JV (75% ADN:25% MEP)
Mount Hope 100%
Eyre Kaolin 100%

**All in South
Australia**

>100Mt of JORC Resources^{1,2,3,4}



Legacy Project Assets

- Alford Copper JV - SA
- Eyre Peninsula Gold JV - SA
- Drummond Gold Project - QLD

Natural Nanotech (50:50 JV)

1. ASX 23 December 2019, "Significant increase in Mineral Resource for the Poochera Kaolin Project".
2. ASX 29 September 2020, "New mineral resource estimate for Hammerhead Halloysite-Kaolin Deposit".
3. ASX 11 August 2020, "New Mineral Resource for the Mount Hope Kaolin project"
4. "The Company is not aware of any new information or data that materially affects the information in the relevant market announcements. All material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed."

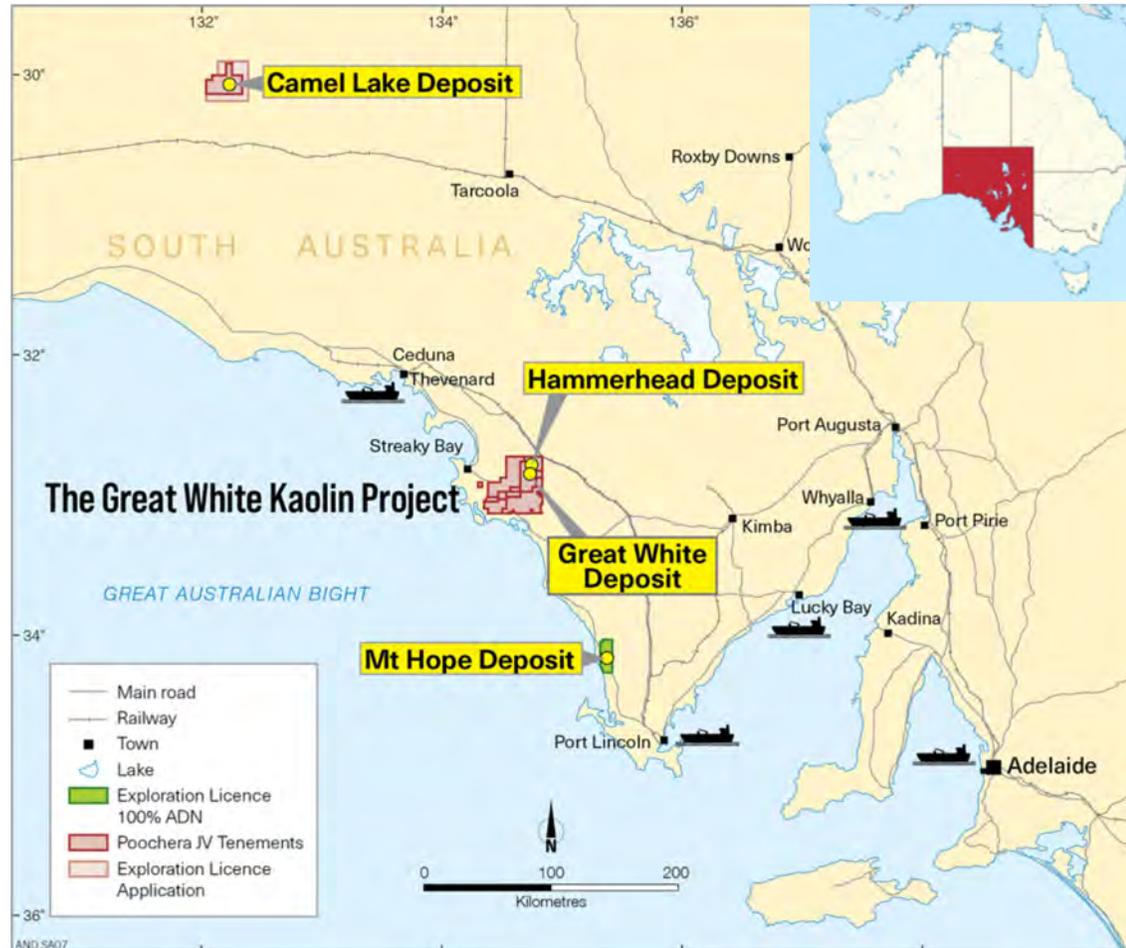
Great White Kaolin Project

Primary project focus – Halloysite-Kaolin



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Primary Project Focus – Halloysite-Kaolin

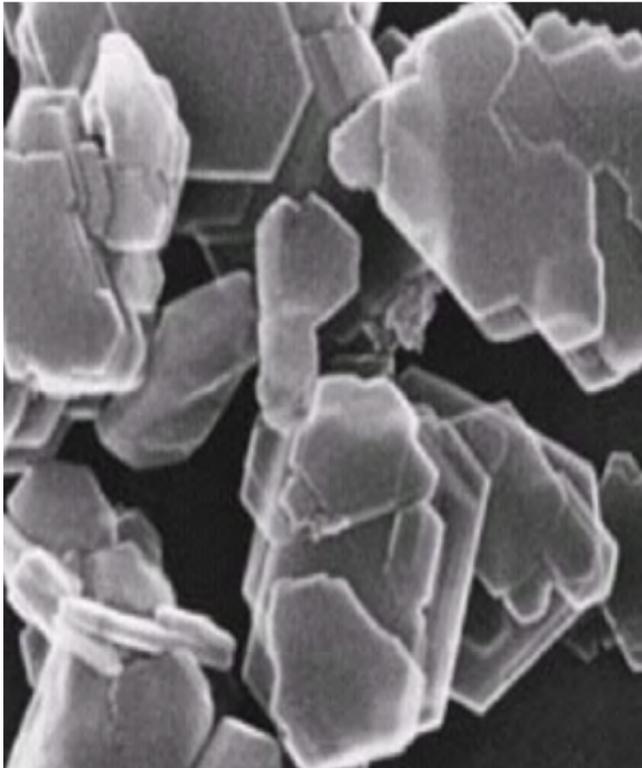
- Operations scheduled to start in 2022
- Over 30 years of exploration
- Globally significant resource
- Rare combination of halloysite and ultra-high purity kaolin
- Extremely consistent shape and quality deposit
- \$1M pilot plant

The mineral

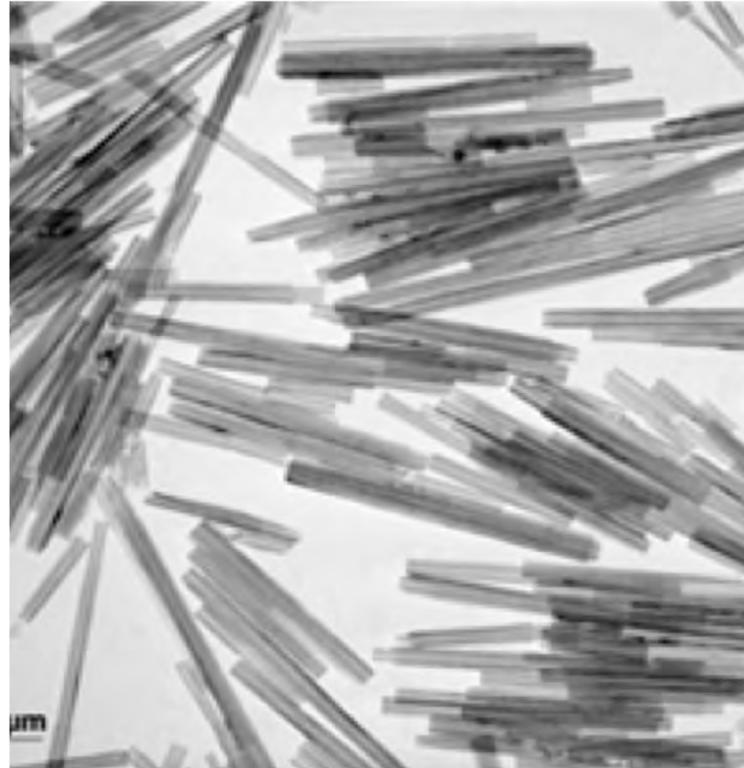


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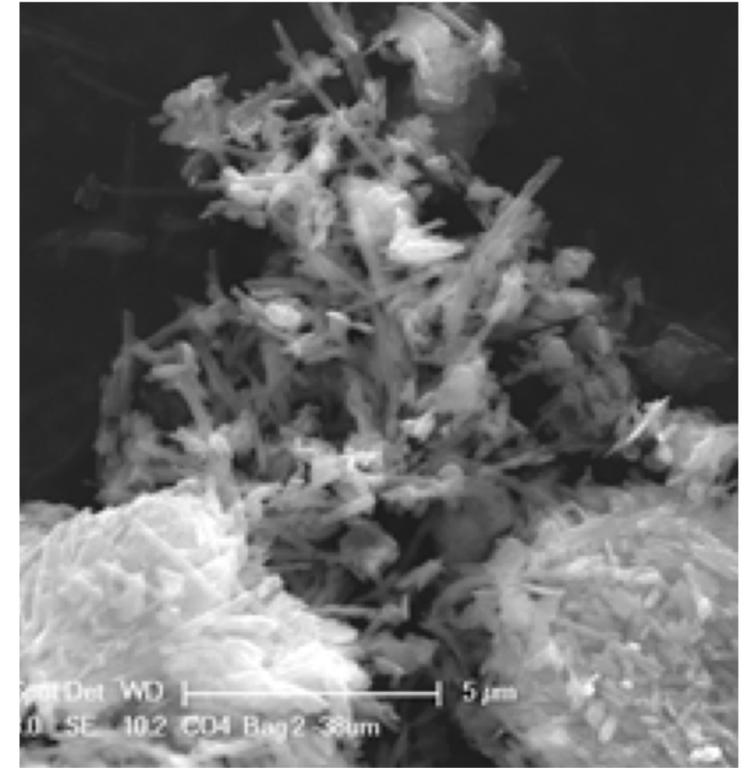
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Kaolinite Plates



Halloysite Tubes



The Great White Resource is a naturally occurring blend of tubes and plates

Mine and Plant Plan

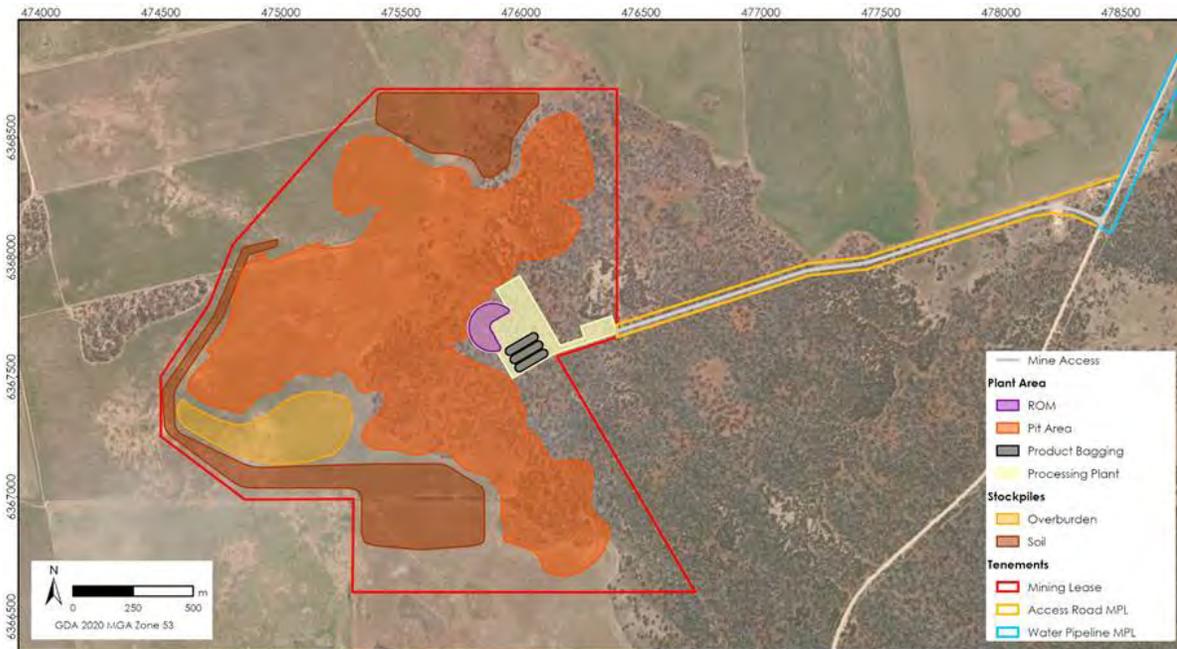
Primary project focus – Halloysite-Kaolin



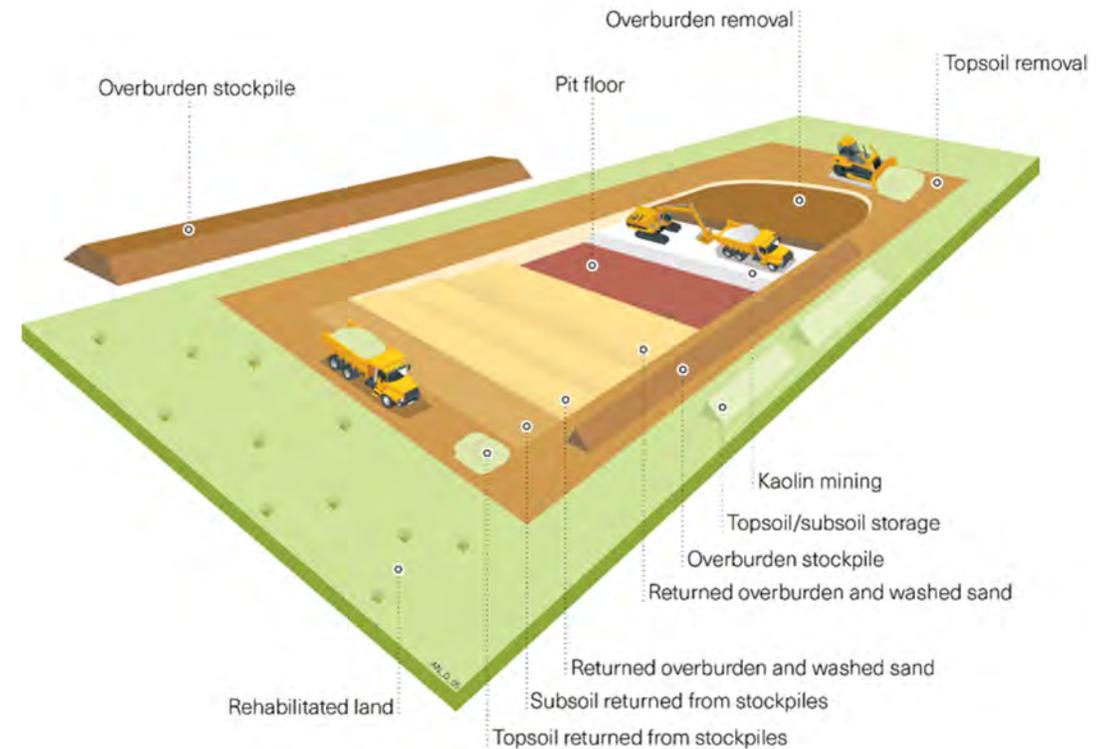
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Mine Design and Plant Position



Generalised Planned Mining Operation



- Mining Lease application Feb 2021
- Mining rate 600,000t/pc
- Resource modelled in Nov 2020 – Whittle optimisation Dec 2020
- Conventional mining using excavator and trucks
- Progressive rehabilitation – non-acid forming and no tails
- Shallow and small footprint

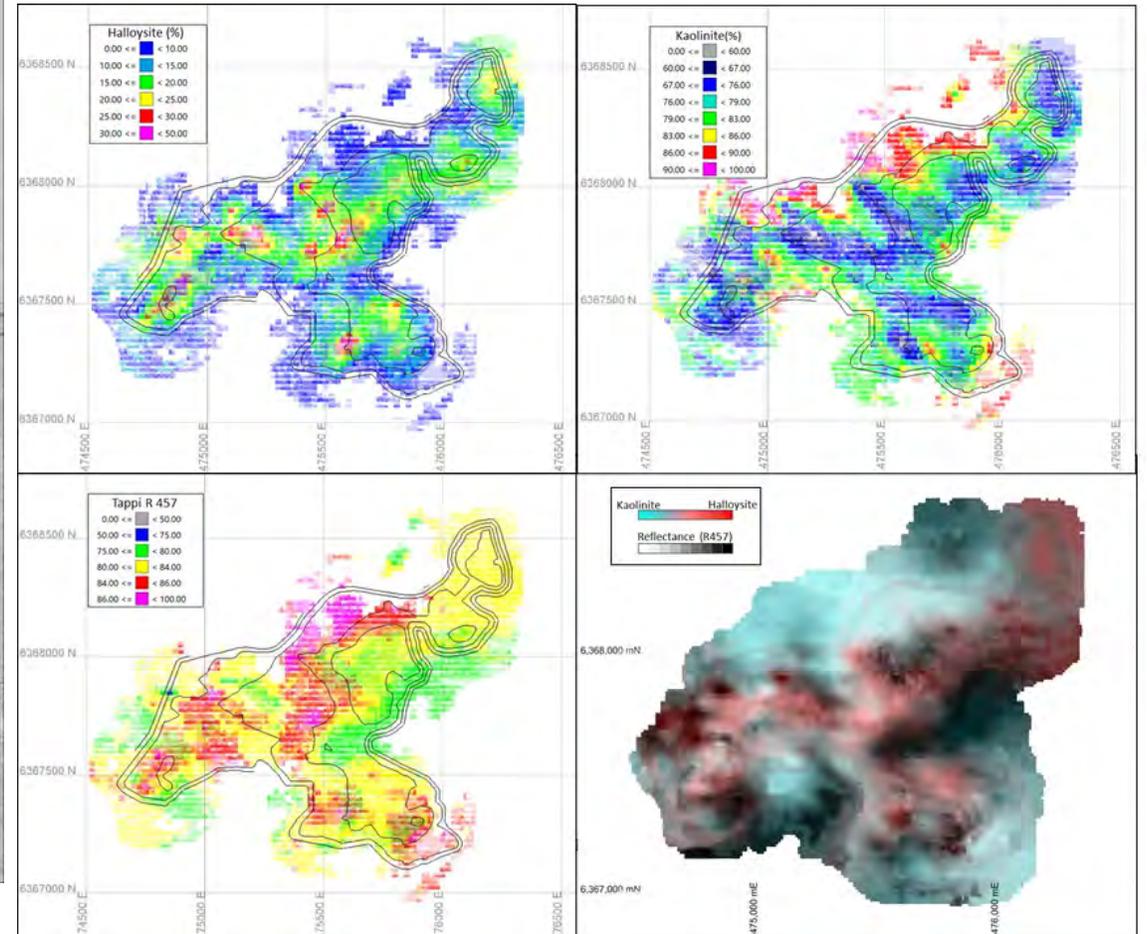
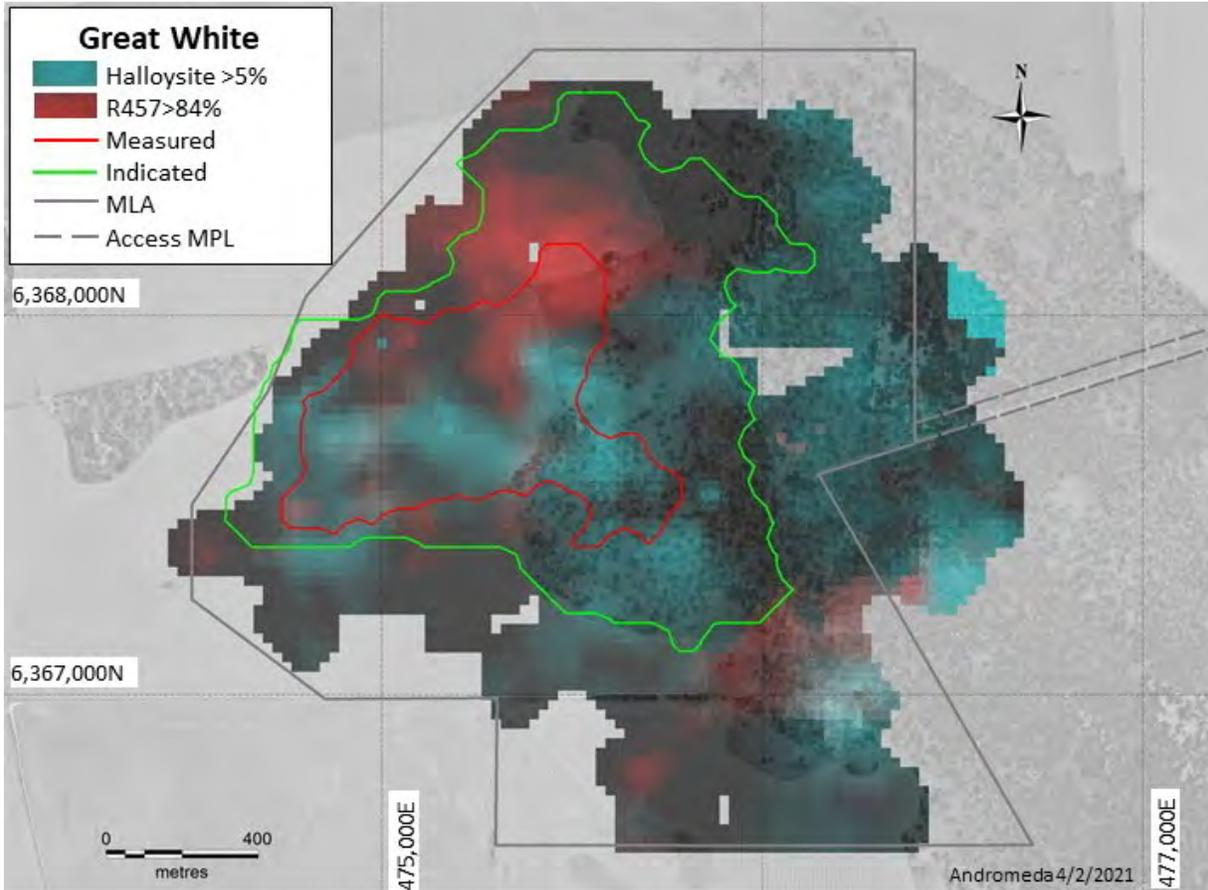
The Great White Resource

Resource Modelling



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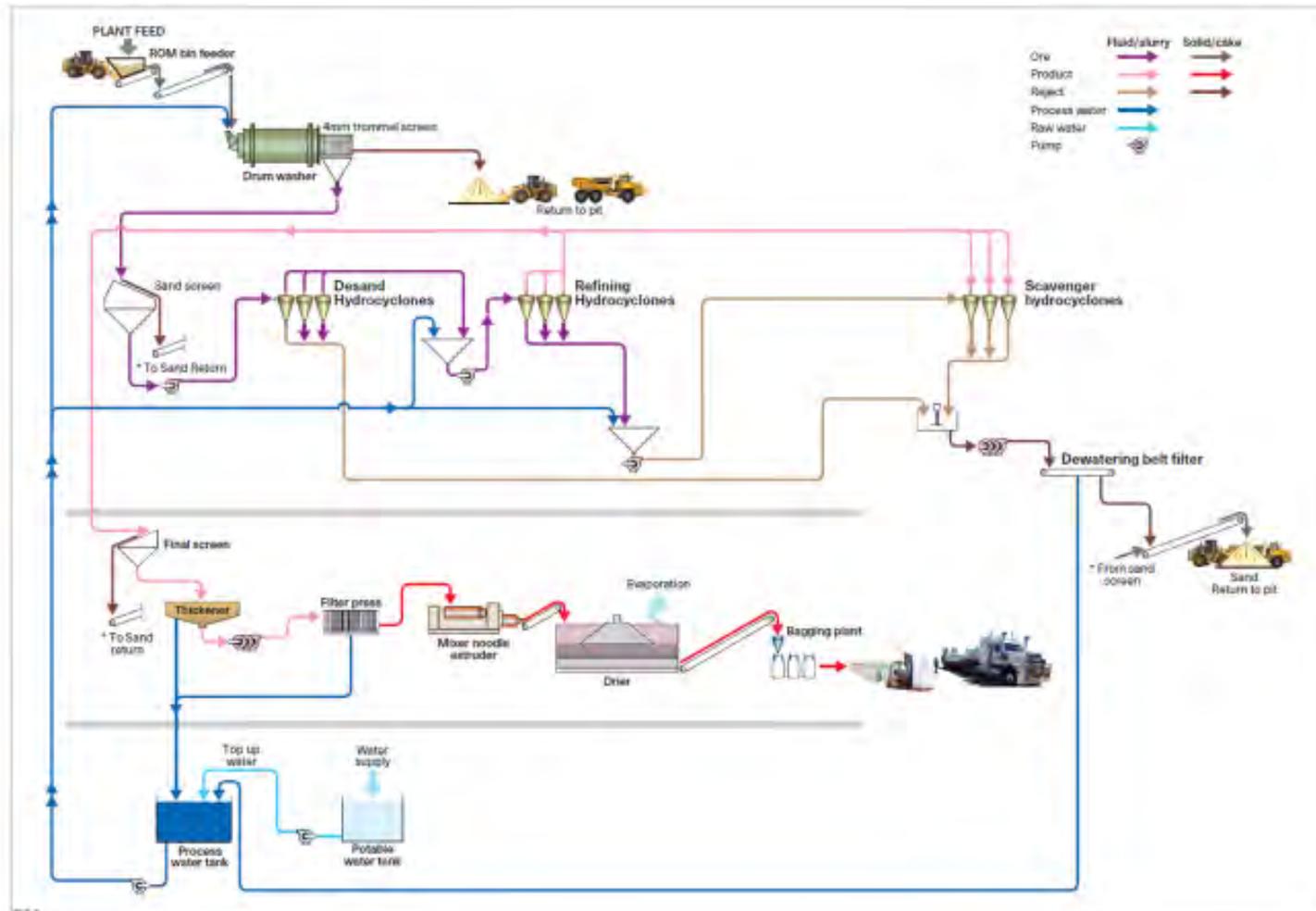
Process Flowsheet

Primary project focus – Halloysite-Kaolin



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- Standard kaolin processing componentry
- State-of-the-art plant to produce consistent world-class kaolins
- Versatile design capable of producing Great White PRM™, CRM™, HRM™ and HPA feed
- Plant uses 95% water recirculation
- Working with SA Water to ensure increased supply locally
- Natural gas instead of diesel
- 60% energy reused for drying
- Planned to transition to zero carbon

Markets and Applications

Initial business already underwritten



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Halloysite Kaolin/Kaolin Grades

- Ceramic Product - Great White CRM™
- Paint Product - Great White PRM™
- Concrete Additive - Great White HRM™
- Cosmetic Grade

Nanotechnology Opportunities



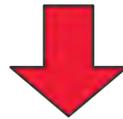
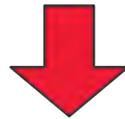
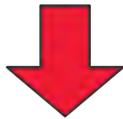
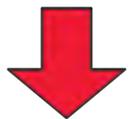
Carbon Dioxide Capture/Storage & Conversion to Fuels

Batteries & Super-Capacitors

Water Purification

Agriculture
\$2.4M Gov Funding

Hydrogen Storage and Transport



Patent Filed & Demo Plant under Construction

Patent Filed

Patent Filed

In Progress

In Progress



High Purity Alumina

- Feasibility studies in progress
- Potential to incorporate REE

What's next?

What's on the horizon for Andromeda



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First Commercial Products anticipated to Market by late 2022

- Mining Approval
- Complete Minotaur acquisition
- Release Definitive Feasibility Study
- High Purity Halloysite – resource and/or purification
- Additional Kaolin/Halloysite Resources
- Nanotechnology commercialisation
- High Purity Alumina – feasibility studies

Thank you



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STATEMENTS

Cautionary Statements

The preliminary feasibility study (Pre-Feasibility Study, PFS) referred to in this announcement has been undertaken to study a range of options to produce high-quality halloysite-kaolin product from the Kaolin Resource at Poochera in South Australia in order to provide Andromeda Metals with a basis for more detailed Definitive Feasibilities Studies for the Project. It is a technical and economic study to identify preferred mining, processing and infrastructure requirements but it has not finalised these. The PFS work has advanced assessments of environmental and socio-economic impacts and requirements, but these are also not finalised. The estimation of ore reserves has been done.

The Production Target referred to in this announcement is based on this PFS and supported mainly by Measured and Indicated Resources and only minor Inferred Resources. Andromeda Metals has concluded that it has reasonable grounds for disclosing a Production Target, however there is no certainty that the Production Target or the economic assessment will be realised.

The PFS is based on the material assumptions outlined elsewhere in this announcement. These include assumptions about the availability of funding. While Andromeda Metals considers all of the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the PFS will be achieved.

To achieve the range of outcomes indicated in the PFS, funding in the order of A\$28M, inclusive of working capital, is likely to be required. Investors should note that there is no certainty that Andromeda Metals will be able to raise that amount of funding when needed. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of Andromeda Metals' existing shares. It is also possible that Andromeda Metals could pursue other 'value realisation' strategies to provide alternative funding options.

Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the PFS. This announcement includes forward looking statements. For further information on forward looking statements please refer to the end of this release.

Forward Looking Statements

Some of the statements contained in this report are forward looking statements. Forward looking statements, include, but are not limited to, statements concerning estimates of tonnages, expected costs, statements relating to the continued advancement of Andromeda's projects and other statements that are not historical facts. When used in this report, and on other published information of Andromeda, the words such as 'aim', 'could', 'estimate', 'expect', 'intend', 'may', 'potential', 'should' and similar expressions are forward looking statements. Although Andromeda believes that its expectations reflected in the forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Various factors could cause actual results to differ from these forward-looking statements include the potential that Andromeda's project may experience technical, geological, metallurgical and mechanical problems, changes in market prices and other risks not anticipated by Andromeda. Andromeda is pleased to report this summary of the Study in a fair and balanced way and believes that it has a reasonable basis for making the forward-looking statements in this announcement, including with respect to any mining of mineralised material, modifying factors, production targets and operating cost estimates.

This announcement has been compiled by Andromeda from the information provided by the various contributors. All financial assumptions and estimates are quoted in Australian Dollars ('A\$' or 'AUD') only, unless indicated otherwise heading.

Competent Person's Statements

Information in this announcement has been compiled by Mr. James Marsh a member of The Australasian Institute of Mining and Metallurgy (AusIMM). Mr. Marsh is an employee of Andromeda Metals Limited who holds shares and options in the company and has sufficient experience, which is relevant to the style of mineralisation, type of deposits and their ore recovery under consideration and to the activity being undertaken to qualify as Competent Persons under the 2012 Edition of the 'Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). This includes Mr. Marsh attaining over 30 years of experience in kaolin processing and applications. Mr. Marsh consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.