Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

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ANDROMEDA METALS LIMITED

ABN

75 061 503 375

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- 1 +Class of +securities issued or to be issued
- 1. Fully paid ordinary shares
- 2. Listed options
- Number of *securities issued or to be issued (if known) or maximum number which may be issued
- 1. 283,225,752 fully paid ordinary shares
- 2. 283,225,752 listed options
- Principal terms of the *securities (e.g. if options, exercise price and expiry date; if partly paid *securities, the amount outstanding and due dates for payment; if *convertible securities, the conversion price and dates for conversion)

Ordinary fully paid shares and listed options to be issued pursuant to a Non-Renounceable Rights Issue to Eligible Shareholders issued on the basis of 1 New Share for every 2 shares held with 1 attaching listed option for every New Share allotted with an exercise price of \$0.012 and an expiry date of 30 November 2020.

⁺ See chapter 19 for defined terms.

Do the *securities rank equally in all respects from the *issue date with an existing *class of quoted *securities?

If the additional ⁺securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

- 1. Ordinary shares will rank equally with ordinary shares already on issue.
- 2. Listed options will be an issue of a new class of quoted securities. Upon exercise the shares will rank equally with ordinary shares already on issue.

5 Issue price or consideration

\$0.005 with 1 listed option for every New Share allotted with an exercise price of \$0.012 and an expiry date of 30 November 2020.

6 Purpose of the issue
(If issued as consideration for the acquisition of assets, clearly identify those assets)

Undertake drill testing of identified targets on the Drummond Gold Project; subject to a decision to acquire the Mylo Pilbara Gold Project following due diligence complete initial exploration programs on the Pilbara tenements; source new project opportunities; and seek joint venture partners for the Company's remaining non-core projects.

6a Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A?

If Yes, complete sections 6b – 6h in relation to the *securities the subject of this Appendix 3B, and comply with section 6i

30 November 2016

6b The date the security holder resolution under rule 7.1A was passed

6c Number of *securities issued without security holder approval under rule 7.1

67,974,180

Yes

6d Number of *securities issued with security holder approval under rule 7.1A

45,316,120

Number of *securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)

Number of *securities issued under an exception in rule 7.2

6g If *securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the *issue date and both values. Include the source of the VWAP calculation.

Date price agreed: 24 October 2017 Issue date: 27 October 2017 15 day VWAP: 0.654 cents VWAP calculated by Pac Partners

6h If *securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements N/A

6i Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements

Rule 7.1 Nil
Rule 7.1A Nil

7 ⁺Issue dates

Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.

Cross reference: item 33 of Appendix 3B.

7 December 2017

8 Number and *class of all *securities quoted on ASX (including the *securities in section 2 if applicable)

Number	+Class
849,677,255	Fully paid ordinary shares
23,612,610	Listed Options with an exercise price of \$0.012 and expiry date of 31 March 2018

⁺ See chapter 19 for defined terms.

Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)

Number	+Class
56,328	Unlisted Options with an exercise price of \$0.015 and expiry date of 31 March 2019
283,225,752	Listed Options with an exercise price of \$0.012 and expiry date of 30 November 2020

10 Dividend policy (in the case of a N/A trust, distribution policy) on the increased capital (interests)

Part 2 - Pro rata issue

11	security ired?	holder	approval	No

12 Is the issue renounceable or nonrenounceable?

Non-renounceable

- 13 Ratio in which the *securities will be offered
- 1 New Share for every 2 shares held. In addition, every New Share issued will receive 1 free attaching Option.
- +Class of +securities to which the 14 offer relates

Ordinary fully paid shares and Options.

15 +Record date determine to entitlements

14 November 2017

16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?

N/A

Policy for deciding entitlements in 17 relation to fractions

Fractions to be rounded up to the nearest whole number.

not be sent new offer documents and the United States of America, being jurisdictions in which the Company has Note: Security holders must be told how their entitlements are to be dealt with determined, in accordance with Cross reference: rule 7.7. Corporations Act and ASX listing Rules, that it would be unreasonable to make the offer to Non-Resident Shareholders having regard to the number of shareholders in the places where the offer would be made, the number and value of the rights that would be offered, and the cost of complying with the legal requirements in those places. 19 Closing date for receipt 5pm ACDT on 30 November 2017 acceptances or renunciations 20 Names of any underwriters PAC Partners Pty Ltd 21 Amount of any underwriting fee or 6% of the underwritten amount raised under commission the Offer. A total of 67,974,180 listed options with an exercise price of \$0.012 and an expiry date of 30 November 2020 subject to shareholder approval at the 2017 AGM. 22 Names of any brokers to the issue None 23 Fee or commission payable to the N/A broker to the issue 24 Amount of any handling fee N/A payable to brokers who lodge acceptances or renunciations on behalf of security holders 25 If the issue is contingent on security N/A holders' approval, the date of the meeting 17 November 2017 26 Date entitlement and acceptance form and offer documents will be sent to persons entitled If the entity has issued options, and 9 November 2017 27 the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders Date rights trading will begin (if N/A 28

Belgium, United Kingdom, Hong Kong,

Ireland, Japan, Papua New Guinea, Singapore

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Names of countries in which the

entity has security holders who will

⁺ See chapter 19 for defined terms.

	applicable)	
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements in full through a broker?	
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	⁺ Issue date	7 December 2017
	3 - Quotation of securities d only complete this section if you are app. Type of securities (tick one) Securities described in Part 1	
(b)		of the escrowed period, partly paid securities that become fully paid, employee ends, securities issued on expiry or conversion of convertible securities
Entiti	es that have ticked box 34(a)	
Addit	ional securities forming a new cla	ass of securities
Tick to docume	indicate you are providing the informa	tion or
35		v securities, the names of the 20 largest holders of the e number and percentage of additional *securities held by
36	If the *securities are *equity securities, a distribution schedule of the additional *securities setting out the number of holders in the categories 1 - 1,000 1,001 - 5,000 5,001 - 10,000	

10,001 - 100,000 100,001 and over

37

A copy of any trust deed for the additional *securities

Entitie	es that have ticked box 34(b)		
38	Number of *securities for which *quotation is sought		
39	⁺ Class of ⁺ securities for which quotation is sought		
40	Do the *securities rank equally in all respects from the *issue date with an existing *class of quoted *securities? If the additional *securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment		
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)		
42	Number and ⁺ class of all ⁺ securities quoted on ASX (<i>including</i> the ⁺ securities in clause 38)	Number	+Class
			•

⁺ See chapter 19 for defined terms.

Quotation agreement

- [†]Quotation of our additional [†]securities is in ASX's absolute discretion. ASX may quote the [†]securities on any conditions it decides.
- We warrant the following to ASX.
 - The issue of the *securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the *securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any *securities to be quoted and that no-one has any right to return any *securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the *securities be quoted.
- If we are a trust, we warrant that no person has the right to return the ⁺securities to be quoted under section 1019B of the Corporations Act at the time that we request that the ⁺securities be quoted.
- We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before [†]quotation of the [†]securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:		9 November 2017
Print name:	Nick Harding	

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Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital		
Step 1: Calculate "A", the base figure from which the placement capacity is calculated		
Insert number of fully paid *ordinary securities on issue 12 months before the *issue date or date of agreement to issue	405,767,063	
Add the following:		
 Number of fully paid ⁺ordinary securities issued in that 12 month period under an exception in rule 7.2 	47,394,140	
 Number of fully paid ⁺ordinary securities issued in that 12 month period with shareholder approval 	Nil	
 Number of partly paid ⁺ordinary securities that became fully paid in that 12 month period 	Nil	
 Note: Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items 		
Subtract the number of fully paid ⁺ ordinary securities cancelled during that 12 month period	Nil	
"A"	453,161,203	

⁺ See chapter 19 for defined terms.

Step 2: Calculate 15% of "A"		
"B"	0.15	
	[Note: this value cannot be changed]	
Multiply "A" by 0.15	67,974,180	
Step 3: Calculate "C", the amount 7.1 that has already been used	of placement capacity under rule	
Insert number of *equity securities issued or agreed to be issued in that 12 month period not counting those issued:	67,974,180	
• Under an exception in rule 7.2		
Under rule 7.1A		
• With security holder approval under rule 7.1 or rule 7.4		
 Note: This applies to equity securities, unless specifically excluded – not just ordinary securities Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items 		
"C"	67,974,180	
Step 4: Subtract "C" from ["A" x "l placement capacity under rule 7.1	3"] to calculate remaining	
"A" x 0.15	67,974,180	
Note: number must be same as shown in Step 2		
Subtract "C"	67,974,180	
Note: number must be same as shown in Step 3		
<i>Total</i> ["A" x 0.15] – "C"	Nil	
	[Note: this is the remaining placement capacity under rule 7.1]	

Rule 7.1A – Additional placement capacity for eligible entities		
Step 1: Calculate "A", the base figure from which the placement capacity is calculated		
"A"	453,161,203	
Note: number must be same as shown in Step 1 of Part 1		
Step 2: Calculate 10% of "A"		
"D"	0.10	
	Note: this value cannot be changed	
Multiply "A" by 0.10	45,316,120	
Step 3: Calculate "E", the amount of placement capacity under rule 7.1A that has already been used		
Insert number of ⁺ equity securities issued or agreed to be issued in that 12 month period under rule 7.1A	45,316,120	
 Notes: This applies to equity securities – not just ordinary securities Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained It may be useful to set out issues of securities on different dates as separate line items 	45.040.400	
"E"	45,316,120	

⁺ See chapter 19 for defined terms.

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A		
"A" x 0.10	45,316,120	
Note: number must be same as shown in Step 2		
Subtract "E"	45,316,120	
Note: number must be same as shown in Step 3		
Total ["A" x 0.10] – "E"	Nil	
	Note: this is the remaining placement capacity under rule 7.1A	