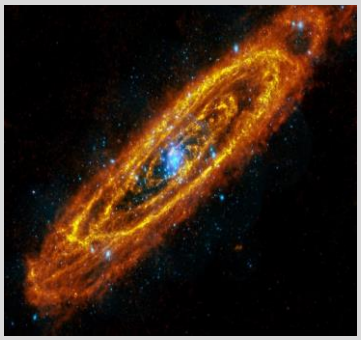

Andromeda Metals Limited
ABN: 75 061 503 375

Corporate details:

ASX Code: ADN

Cash (30 June 2020): $2.99 million

Issued Capital:
1,609,518,041 ordinary shares
538,518,699 ADNOB options
96,500,000 unlisted options

Directors:

Rhod Grivas
Non-Executive Chairman

James Marsh
Managing Director

Nick Harding
Executive Director and Company Secretary

Joe Ranford
Operations Director

Andrew Shearer
Non-Executive Director

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Andromeda METALS

ASX Announcement

11 August 2020

New Mineral Resource for the Mount Hope Kaolin Project

Summary

- **An updated Mineral Resource Estimate reported in accordance with the 2012 JORC Code and Guidelines has been completed for the 100% owned Mount Hope kaolin deposit in South Australia.**
- **An Inferred Resource of 18.0Mt of Bright White kaolinised granite is estimated using an ISO Brightness R457 cut-off of 75 for minus 45 micron kaolin product, which represents an approximate 47% increase on the previous non-JORC resource.**
- **The 18.0Mt of in-situ Bright White kaolinised granite yields 7.5 Mt of minus 45 micron quality kaolin product.**
- **The resource contains two sub-domains consisting of Ultra-Bright high-purity kaolin (1.6Mt) and high halloysite-kaolin (0.6Mt).**
- **The high-purity domain shows exceptionally low iron contaminant within the bright white kaolin with halloysite levels ideally suited to some high-value markets in specialist coatings and polymers, which opens up a new and potentially significant market opportunity for ADN.**
- **The remainder of the Mt Hope deposit is very similar to the Great White halloysite-kaolin Resource near Poochera, and perfectly suited for the high-quality porcelain ceramics market.**
- **Recent drilling undertaken in March 2020 has determined that the resource remains open to the south and southwest.**
- **Resource modelling is in progress for the Hammerhead Prospect at the Great White Kaolin Project with results expected to be announced in the next few months.**
- **Steady progress is being made with the Definitive Feasibility Study and Mining Lease application process for the Great White Kaolin Project.**

Discussion

Andromeda Metals Limited (ASX Code: ADN, Andromeda, the Company) is pleased to report an updated Mineral Resource Estimate reported in accordance with the 2012 JORC Code and Guidelines for the Company's 100% owned Mount Hope Kaolin Deposit located on EL 6286, approximately 80 kilometres northwest of Port Lincoln and 160 kilometres southeast of the Great White Kaolin Project on the west coast of South Australia's Eyre Peninsula.

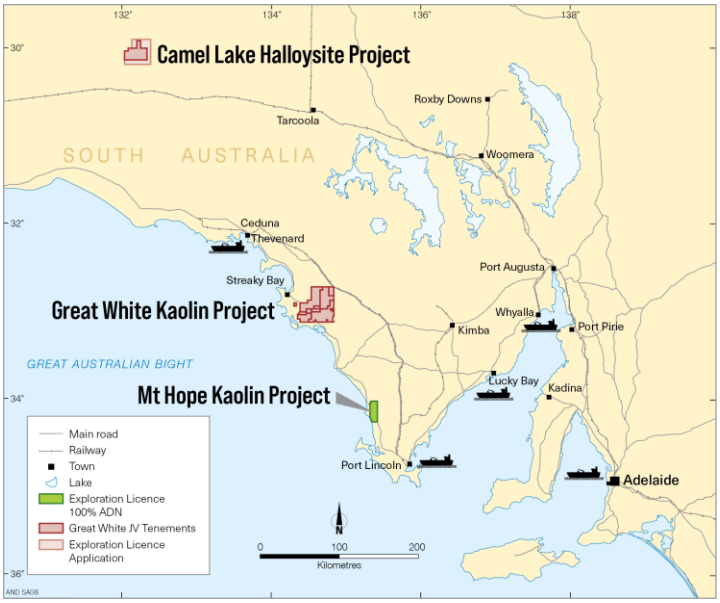

Figure 1 - ADN Halloysite-Kaolin interests

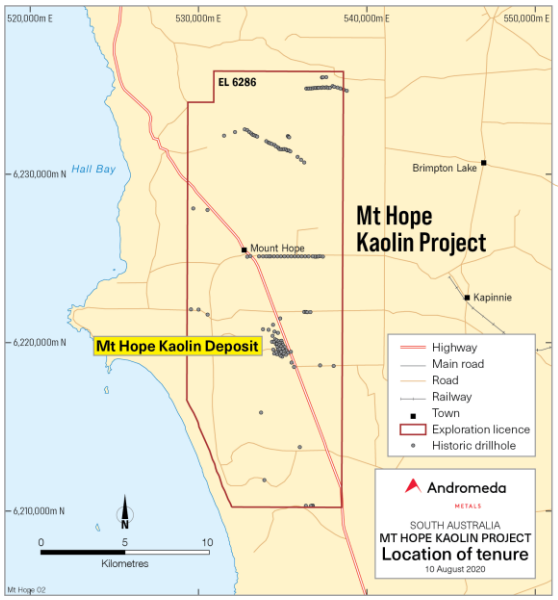

Figure 2 - Mount Hope tenement EL 6286

New 2012 JORC Mineral Resource Summary

An Inferred Resource Estimate for the Mount Hope deposit of 18.0Mt of kaolinised granite reported at an ISO brightness (R457) cut-off of 75 in the minus 45 micron size fraction is shown in Table 1 below. The Resource includes two sub domains; an Ultra-Bright (R457 >84) high-purity kaolin sub domain and a halloysite-kaolin sub-domain, and remains open to the south and southwest.

Table 1 - Mt Hope Kaolin Mineral Resource

Domain	Mt	PSD -45µm	Kaolinite %	Halloysite %
Main	*12.8*	*40.95*	*33.6*	*0.9*
Halloysite	*1.6*	*39.13*	*25.6*	*6.7*
Ultra-Bright	*3.7*	*44.37*	*38.0*	*0.7*
Total	**18.0**	**41.49**	**33.8**	**1.4**

Note that all figures are rounded to reflect appropriate levels of confidence

The Resource yields 7.5Mt of High Bright kaolin product (R457 >80 <48) when applying the minus 45 micron recovery factor, with the remaining approximate 60% of material being largely residual quartz derived from the weathered granitic gneiss. The Halloysite sub domain contains 0.6Mt of minus 45 micron material comprised of 17.2% halloysite and the Ultra-Bright sub domain contains 1.6Mt of minus 45 micron material with an R457 of 84.1 (refer Table 2).

Table 2 - Mt Hope Kaolin Mineral Resource -45µm

Domain	Mt	R457	Kaolinite %	Halloysite %	Al_2O_3 %	Fe_2O_3 %	TiO_2 %
Main	*5.2*	*81.8*	*82.1*	*2.2*	*35.1*	*0.56*	*0.62*
Halloysite	*0.6*	*81.2*	*65.4*	***17.2***	*34.8*	*0.60*	*0.63*
Ultra-Bright	*1.6*	***84.1***	*85.7*	*1.5*	*36.0*	*0.32*	*0.63*
Total	**7.5**	**82.2**	**81.4**	**3.3**	**35.3**	**0.51**	**0.62**

Note that all figures are rounded to reflect appropriate levels of confidence

A section of the deposit is shown to be of extremely high purity within the bright white kaolin with low halloysite levels ideally suited to high-value markets in specialist coatings and polymers, thus providing market diversification and de-risking opportunities while presenting a new and potentially significant market for the Company to pursue.

Significantly, some areas within the Mount Hope deposit show high levels of halloysite (>20%) that is similar to the existing resource reported at the Great White Kaolin Deposit, which is part of the Great White Kaolin Joint Venture with Minotaur Exploration (ASX: MEP) and which the Company is currently earning a 75% interest.

New Mineral Resource Detail

The 2020 Mount Hope Resource Estimate is based solely on exploration undertaken by ADN as prior work undertaken by previous explorers was not sufficiently documented to meet JORC 2012 requirements. All drillhole data used for the resource estimate is contained in ADN ASX announcement dated 15 July 2020 titled *"New major market opportunity for Andromeda with Mount Hope Project"*.

In March 2020 the Company undertook a 1,383 metre aircore drilling program, under which all 40 drillholes drilled vertically intersected the flat-lying mineralisation at right angles with most holes intersecting the upper (hanging wall) and lower (footwall) contacts to the mineralisation. Exceptions were MH20AC034 which failed to reach depth and MH20AC007 and MH20AC029 which intersected basement without passing through kaolin.

A total of 174 composite samples were wet sieved to determine percentage passing -45µm, with the recovered material then analysed by Bureau Veritas using their XRF 4B method to determine elements that include Al_2O_3, Fe_2O_3, SiO_2 and TiO_2. Brightness on the minus 45 micron material was determined by ADN staff at an enclosed laboratory room at Bureau Veritas using ADN's Technidyne Colourtouch CT-PC Spectrophotometer in accordance with Tappi standard T534 om-15.

Analysis for halloysite and kaolinite content was undertaken by CSIRO on all samples from the 2020 drilling undertaken by ADN. This data was used to define a flat-lying kaolin deposit that lies between 8 and 24m below the surface. The Resource Estimate covers an area of approximately 0.7km by 1.8km with a kaolin thickness ranging from 4m to 40m and the thickest part of the deposit open to the south/south west. A plan view of the geological interpretation for the kaolin body is shown if Figure 3A and structure contours of the top of the kaolin mineralisation showing the thickness of the kaolin is shown in Figure 3B. Overburden which has an average thickness of 9.6m consists of a thin soil layer overlying calcrete which in turn overlies a mixed sequence of alluvial clays, sands and gravels. The top of the kaolin is silicified and the base of silicification marks the top of the kaolin resource whilst the change in weathering intensity marks the base of the kaolin resource.

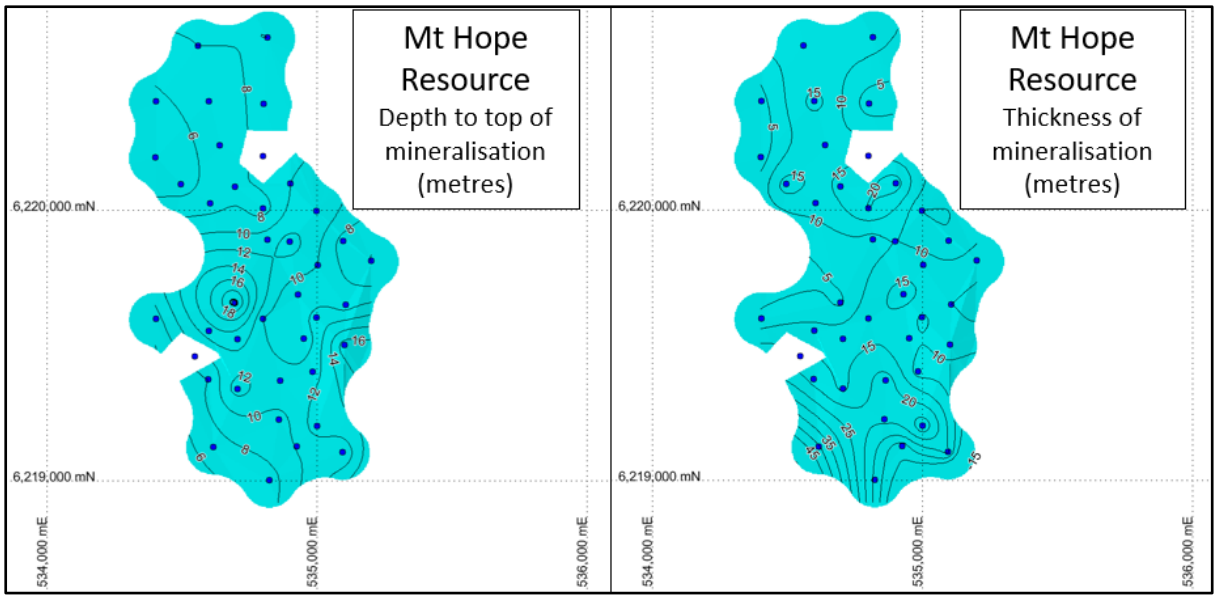

Figure 3A and 3B – Outline of Mt Hope kaolin resource separately showing depth and thickness contours

The drilling and sampling procedures and analytical methods implemented by ADN were the same used for the Great White Kaolin Deposit at Poochera which had been reviewed by H&S Consultants and assessed as having no obvious issues with the sampling or analysis of the data. A total of 159 composites were extracted from the drillhole database constrained by the kaolin wireframes. Grade interpolation of the kaolinite and halloysite was completed for the minus 45 micron recovered material, along with Al_2O_3, Fe_2O_3, SiO_2, TiO_2 and R457 all obtained on the minus 45 micron fraction. Statistical analysis of the composite data was undertaken and showed reasonably well-structured data with low coefficients of variation, all of which resulted in no top cuts being applied. A summary of statistics is presented in Table 3. Variography showed that current drillhole spacings are insufficient to support Indicated or Measured classification.

Table 3 - Mt Hope Univariate Statistics for Composites

	Assay	Minimum	Maximum	Mean	Geometric mean	Standard deviation (SD)	Coeff of Variation (CV)	Variance	Skewness
XRD	Halloysite	0	48	3.4	1.8	8.01	2.34	64.18	6.50
	Kaolinite	31.9	94	80.1	79.0	11.72	0.15	137.25	-3.51
	Hinckley Index	0.36	1.56	1.06	1.04	0.22	0.21	0.05	-0.71
XRF	Al2O3	28.0	37.8	35.0	34.95	1.48	0.04	2.20	-1.58
	Fe2O3	0.14	1.86	0.52	0.46	0.29	0.55	0.08	2.30
	K2O	0.07	3.49	1.33	1.13	0.70	0.52	0.48	1.15
	SiO2	46.5	57.8	50.05	50.03	1.43	0.03	2.06	1.89
	TiO2	0.22	3.14	0.66	0.61	0.30	0.46	0.09	4.79
Brightness	R457	65.78	86.8	81.1	81.03	3.53	0.04	12.42	-2.40
	L	90.55	96.3	94.5	94.52	0.99	0.01	0.98	-1.85
	ASTAR	-0.99	2.9	-0.4	0.84	0.39	-1.09	0.15	5.73
	BSTAR	2.04	10.1	4.3	4.13	1.32	0.31	1.73	3.04
Particle Size Distribution	<45µm	19.0	77.8	40.4	39.62	7.81	0.19	61.04	0.55
	PSD10	62.9	83.6	70.6	70.36	5.35	0.08	28.61	0.98
	PSD02	18.3	54.0	30.3	29.48	7.17	0.24	51.45	1.21
	PSD01	12.4	40.7	20.7	19.97	5.76	0.28	33.20	1.66

Inverse distance squared (ID2) was chosen as the most appropriate method for the grade interpolation. Maptek's Vulcan software was used for modelling and the grade interpolation which used a single flat lying search domain of 300m by 200m by 5m (long axis orientated to 7 degrees) to reflects the overall consistency

in strike and dip of the mineralisation. Block size was 50m by 50m by 5m (X, Y & Z), with 10m by 10m by 1m sub-blocking. The only hard boundary used was the kaolin mineral bounding wireframe.

Block model validation consisted of a visual comparison of block grades with drillhole assays and composite values and a review of the summary statistics for the block grades and composite values. An example of block grade comparison to drillhole assays is shown in Figure 4. No significant issues were noted.

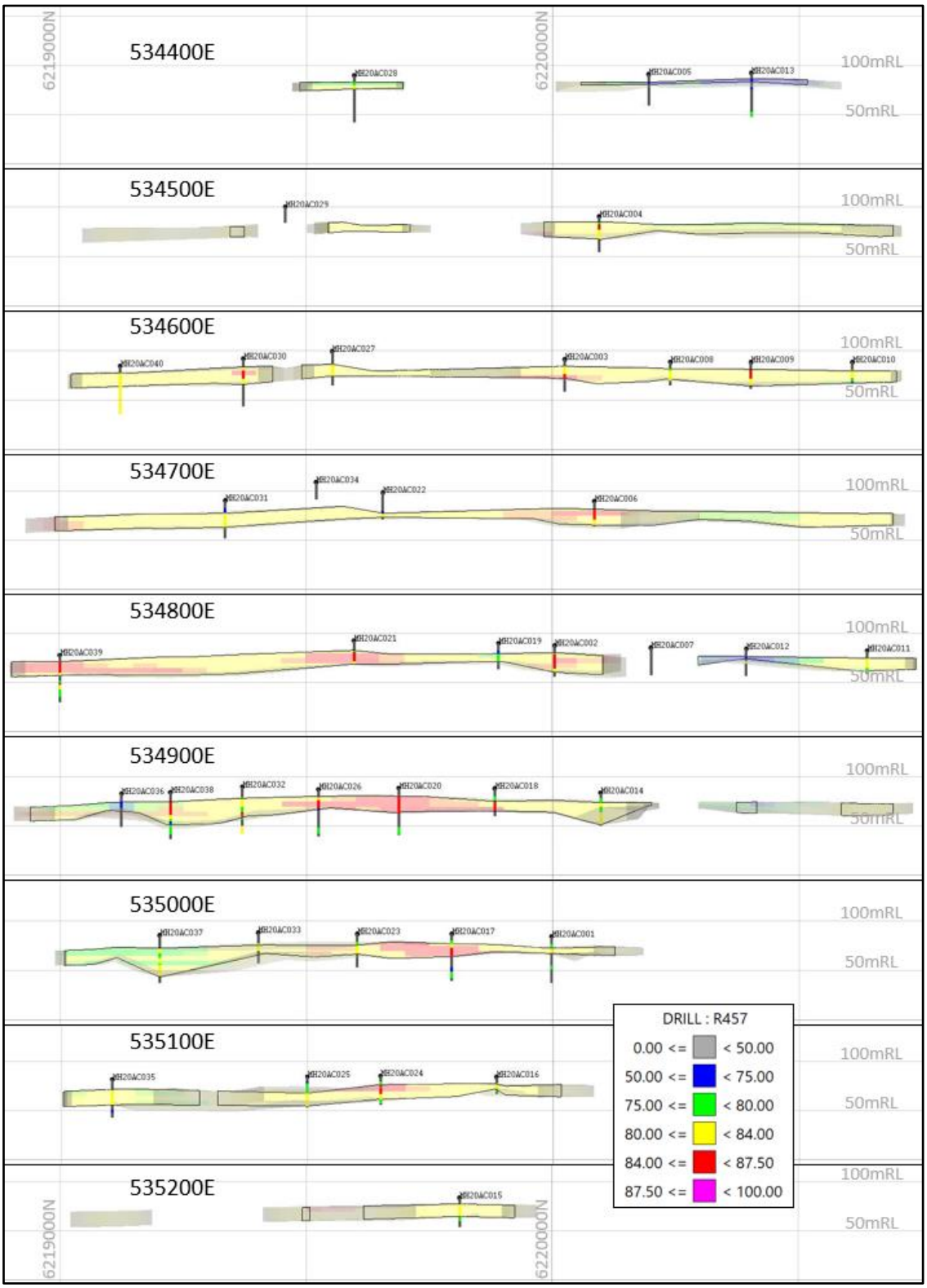

Figure 4 – N-S sections through the ADN 2020 Mt Hope Resource by R457, vertical 2:1.

The earlier resource estimate of 12.26Mt kaolin resource was determined by Abaleen Minerals (Abaleen) in 1973 (*refer ADN ASX announcement dated 24 October 2018 titled "Exploration Licence Application for Mount*

Hope Halloysite Kaolin"). The 1973 Abaleen resource estimate is wholly located within the footprint of the 2020 ADN estimate (Figure 5). The Abaleen estimate was based on a polygonal model of the total area and the average thickness of mineralisation and an assumed density of 2.4t/m3. No density measurements have been undertaken on the Mount Hope Kaolin Deposit. A conservative density estimate of 1.4t/m3 has been assumed which is slightly less than the average density of Great White kaolin mineralisation (1.44t/m3) and significantly less than the 2.4t/m3 density used by Abaleen. A comparison between Abaleen and ADN models is presented in Table 4.

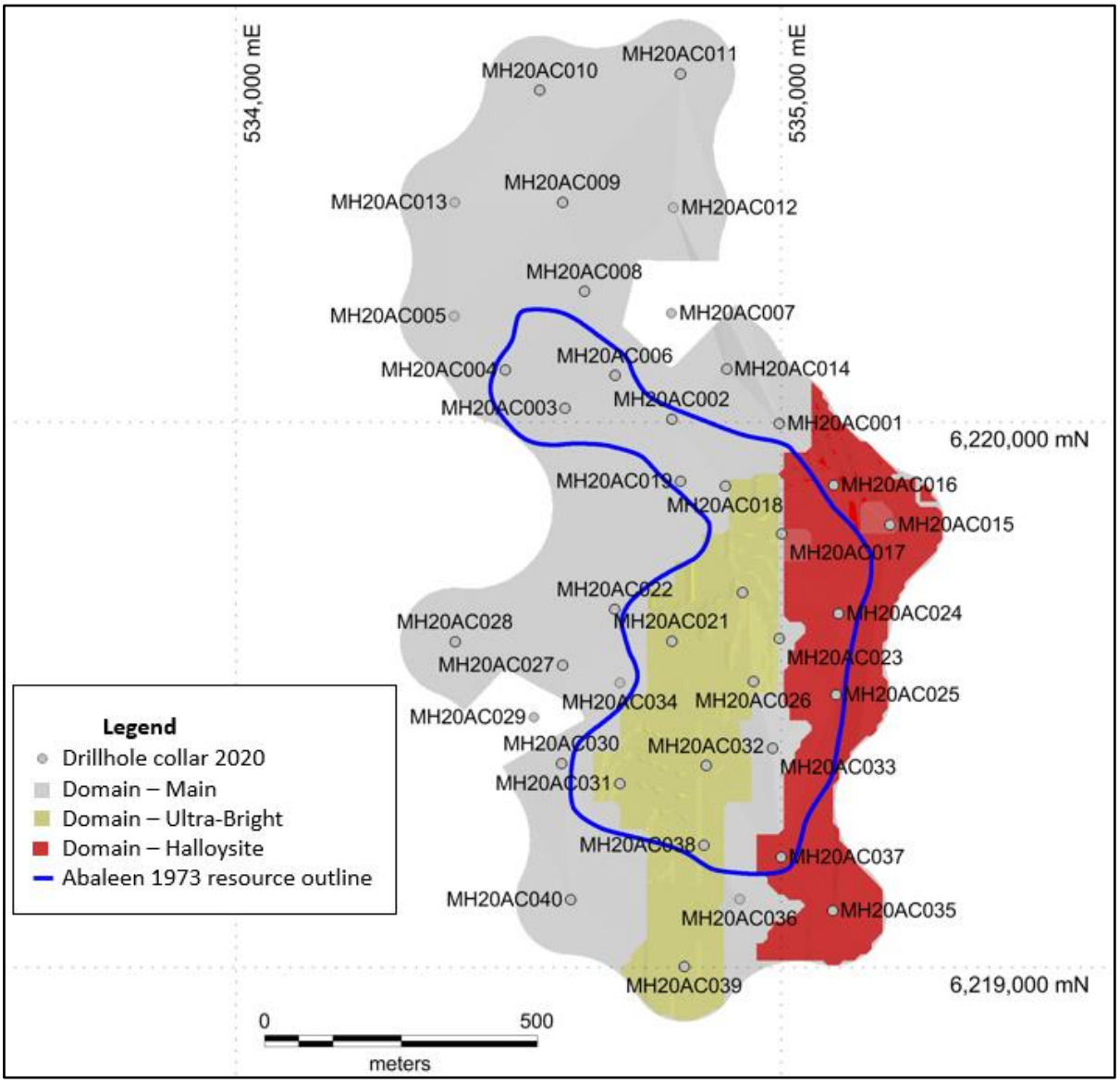

Figure 5 – ADN 2020 and Abaleen 1973 Mt Hope Resource outlines

Future work to upgrade the resource estimation category will require additional drilling to obtain samples for dry bulk density determinations and reduce the drillhole spacings.

Table 4 - Comparison between Abaleen and ADN estimates

Variable	Abaleen	Andromeda
Year	1973	2020
Drillholes	36	40
Model type	Polygonal	Block model
Extrapolation	Average	ID2
Surface area (m^2)	356525	1071000
Average thickness (m)	14.33	14.7
Volume (m^3)	5,100,000	13,090,000
Assumed density (t/m^3)	2.4	1.4
Million tonnes (Mt)	12.26	18.0

Exploration potential is highlighted by the last two holes drilled in the March 2020 drill program that define the southern limit of the Mount Hope Kaolin Deposit; MH20AC039 and MH20AC040. In the minus 45 micron fractions MH20AC039 intercepted from 7m, 14m with an R457 of 85.2 and MH20AC040 intercepted from 7m, 41m with an R457 of 81.4. These two holes separately represent the brightest and thickest intercepts recorded within the Mount Hope Kaolin Deposit.

Coatings and Polymers Market Opportunity

As mentioned, some significant areas of the deposit show iron levels at a low level very rarely found anywhere in the world, which is a highly desirable property for coating and polymer applications where the iron causes colour and stability issues. These iron values found at Mount Hope are for unprocessed mineral (screened at 45 microns) and would be expected to be reduced even further using typical kaolin refining processes. The fact that these areas within the Mount Hope deposit also show minimal halloysite is actually an advantage in this case, as halloysite is not desirable for coatings applications.

Andromeda's Great White kaolin JORC Resource is perfectly suited for the premium ceramic sector, and so adding an upgraded resource from Mount Hope that can be sold into a different, yet equally high value market will give the Company significant diversification and increased value.

According to Markets and Markets, the paints and coatings market is projected to grow from USD 154 billion in 2019 to USD 200 billion by 2024, at a CAGR of 5.4% over the forecast period. Asia-Pacific is the fastest-growing market because the developing countries of APAC, such as China, Japan, India, Indonesia, Malaysia, and the Philippines are focusing on the construction of new residential and commercial buildings, and this is expected to increase in the future. Premium grade kaolins for the coatings industry are currently sold at US$500 – 600/t.

The global plastics market was valued at USD 568.7 billion in 2019. It is poised to expand at a revenue based CAGR of 3.5% from 2020 to 2027 as plastic consumption increases in the construction, automotive, electrical and electronics industries. Regulations to decrease gross vehicle weight to improve fuel efficiency and eventually reduce carbon emissions have promoted the use of plastics as a substitute to metals, including aluminium and steel for manufacturing of automotive components. Asia-Pacific was the largest geographic region in the plastics and polymers market in 2017, accounting for $235 billion or 38.3% share in the market. China was the largest country in the market in 2017, accounting for $109.0 billion or 17.8% share of the market. (Market data and pricing established by market research provided by First Test Minerals a world authority on kaolin).

The Mount Hope resource is well-sized to supply the market requirements for these new high value markets in addition to the previously identified high-value ceramic applications, especially when combined with potentially very significant additional halloysite-kaolin material from the Hammerhead and Tiger prospects at Poochera.

The development of the Great White Kaolin Deposit remains the main focus for ADN with Mount Hope offering excellent potential for future growth opportunities for the Company.

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Competent Persons Statement

Information in this announcement has been assessed and compiled by Mr James Marsh, a Member of The Australasian Institute of Mining and Metallurgy (MAusIMM). Mr Marsh an employee of the Andromeda Metals Limited has sufficient experience, which is relevant to metal recovery from the style of mineralisation and type of deposits under consideration and to the activity being undertaking to qualify as a Competent Persons under the 2012 Edition of the 'Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves'. This includes over 30 years of experience in kaolin processing and applications.

The data in this report that relates to Mineral Resource Estimates for the Mt Hope Kaolin Project is based on information evaluated by Mr Eric Whittaker who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr Whittaker is the Chief Geologist of Andromeda Metals Limited and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Whittaker consents to inclusion in this document of the information in the form and context in which it appears

APPENDIX 1 – MOUNT HOPE PROJECT FURTHER INFORMATION

Background

The Mount Hope Kaolin Deposit is located on the South Australian tenement Exploration Licence 6286. The tenement which covers 227km^2 is held 100% by Andromeda Industrial Minerals Pty Ltd, which is a wholly owned subsidiary of ASX listed Andromeda Metals Limited (Andromeda).

Regional geology

Most of western and southern Eyre Peninsula is covered by Quaternary deposits. These include Bridgewater Formation calcareous dunes along the western and southern margins of the Peninsula, and quartz dune sand and fluviatile deposits in the interior. Except for a few prominent topographic highs of mainly unweathered granite or metasediments, this cover effectively masks the basement rocks.

Beneath the Quaternary sediments most of western Eyre Peninsula is underlain by granitic and gneissic bedrock of the Archean Sleaford Complex gneiss and granite (2525–2410 Ma.) and the younger Middle Proterozoic Hiltaba Suite granite (1595 – 1575 Ma.). These being amongst some of the oldest rocks on the Australian continent, have undergone a long and complex weathering process. The blanket of Quaternary deposits has helped to preserve areas of deeply weathered bedrock.

Deposit geology

The broad geology of the Mount Hope Kaolin Deposit is known from drilling results and an exploration shaft sunk by Abaleen in 1973. In the area of the deposit the surface is comprised of sands and calcrete of the Bridgewater Formation, or a stratigraphically lower formation comprising a heavily iron stained and laterised kaolin. Beneath these formations there is a yellow to cream kaolin layer which overlies the white kaolin. Below the white kaolin layer is basement composed of granitic gneiss of the Sleaford Complex. Variation in kaolin content and mineralogy seen in the drilling are thought to reflect the variation in original mineralogy.

Previous work

Exploration for kaolin at Mount Hope commenced in 1971 following the intersection of a thick interval of white kaolinized bedrock in a well drilled for stock water on the property "Allerton Hills". The original tenement was Special Mining Lease (SML) 669 jointly held by Exploration Drilling Pty Ltd and Blacker Motors Pty Ltd of Port Lincoln. Encouraging results were obtained in early company drilling with samples containing between 40 - 60%, well-crystalline, white kaolinite showing good to excellent brightness. An agreement to explore and develop the deposit was made with Abaleen Minerals No Liability. Between 1972 and 1973, 52 rotary/air holes were drilled which were used to estimate an Abaleen Resource of 12.26 million tonnes. Abaleen also had a 21m deep shaft sunk from which a 40 tonne bulk sample was taken to determine the suitability of the clay for the paper industry.

In 1977 the project was acquired by Caledon Resources Group who, after a detailed assessment of the background to the earlier test work, drilled a further 19 reverse circulation holes to confirm the size of the deposit and to obtain further samples for testing. In July 1986 a total of 19 holes reverse circulation drillholes (MH051 to MH069) were drilled, totalling 604.6 metres.

JORC Code, 2012 Edition – Table 1 Mount Hope Kaolin Deposit

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	• Sampling consists of aircore drilling to produce chip samples representing 1m of drilled material. Samples are composited based on visual properties to selected intervals of between 1 and 5m via riffle splitting. Sample processing includes wet sieving to the -45µm fraction. Analysis of this fine -45 µm fraction includes measuring reflectance, XRF analysis for element composition, particle size distribution and XRD analysis for mineral species abundance including kaolinite and halloysite testing which was completed at CSIRO. • Aircore drilling of vertical holes to industry standard overseen by Andromeda Metals ("ADN") generating 1m chip samples. A total of 40 holes for 1,382.7m completed in March 2020. Most drillholes penetrated beyond the kaolin to partially decomposed gneiss parent. Maximum drillhole depth is 48m. • Sample compositing was carried out at a processing facility at Cummins, South Australia. Samples were then transferred to a commercial laboratory, Bureau Veritas, in Adelaide for processing. • Kaolin is a white, weathered clay product easily distinguished in drilling. The mineralisation forms a flat lying blanket atop partially decomposed granitic gneiss. Cover material comprises alluvial clays and sands and calcrete. The kaolin is capped by a silicified zone generally logged as 1m thick.
Drilling techniques	• Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• Drilling completed by McLeod Drilling using an MD1 Almet drill rig. The sampled metres were completed with 77mm diameter aircore drilling technique.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples.	• All metre bags that were sampled had their weights recorded before splitting and compositing for assay purposes. With few exceptions (~1%), samples recovered were dry with good recoveries. The depth

Criteria	JORC Code explanation	Commentary
	• Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	of penetration of the drill bit was noted and the downhole interval recorded for each aircore sample. • The small variations in recorded sample recoveries are expected to have minimal negative impact on samples collected. • There was no obvious evidence of bias in the samples.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• All drill samples were logged by an experienced geologist on-site at the time of drilling. Observations on lithology, colour, degree of weathering, moisture, mineralisation and alteration for sampled material were recorded. • All intersections were logged.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled. • Preparation of minus 2 micron fraction for analysis	• Riffle split sample compositing consisted of contiguous 1m drill samples up to 5m in total length, based on drill logs and visual estimation of whiteness of material. Sample composites were prepared with the aim of including kaolinised gneiss of similar quality within each composite, although in some cases narrow bands of discoloured kaolinised gneiss were included in the composite to determine if poorer quality could be carried within the interval. Each metre bag drill sample was weighed before splitting. • Sample riffle splitting took place in a processing shed at Cummins in sterile conditions. The samples were run through a 3 tier splitter to compile composite samples of between 2 and 4kg in weight. • Samples were processed by laboratory Bureau Veritas. Sample weights are recorded before any sampling or drying. Samples are dried at low temperature (60C) to avoid destruction of halloysite. The dried sample is then pushed through a 5.6mm screen prior to splitting. • A small rotary splitter is used to split an 800g sample for sizing. • The 800g split is then wet sieved at 180µm and 45µm. The +180 and +45µm fractions are filtered and dried with standard papers then photographed. The -45µm fraction is filtered and dried with 2µm paper. • A small portion of the -45µm material is split for XRF analysis and 4x100gm reserves are retained by Andromeda.

Criteria	JORC Code explanation	Commentary
		• At CSIRO, Division of Land and Water, Urrbrae, South Australia testing was conducted on selected -45µm samples by the method below. • The dried -45µm sample set was analysed for quantitative elemental and mineralogical testing (including kaolinite:halloysite ratio estimation) by XRD. A 2 gram subsample was micronised, slurried, spray dried and a spherical agglomerated sample prepared for XRD. Quantitative analysis of the XRD data was performed by CSIRO using SIROQUANT and Halloysite:Kaolinite proportions determined using profile fitting by TOPAS, calibrated by SEM point counting of a suite of 20 standards.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	• Drill sample analysis is undertaken by Bureau Veritas Minerals Pty Ltd, Wingfield. NATA accreditation number: 626 site number 1519, ISO/IEC 17025:2005. • No geophysical tools were used to estimate mineral or element percentages. Andromeda utilises hand-held XRFs to aid geological interpretation.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• Simon Tear, a consulting geologist from H&S Consultants, completed a one-day site visit at Andromeda's Carey Well deposit whilst drilling was in progress; this included discussion on the initial sample processing. The same drilling and sampling methods as well as sample preparation and analyses that are used at Great White were also used for the Mt Hope drilling program.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• All drill collar locations had survey pick up done by GNSS (Global Navigation Satellite System). Collar surveys were completed by licensed surveyor Steven Townsend of Townsend Surveyors Pty Ltd.using a Leica 1200 RTK (Real Time Kinematic) System with horizontal accuracy of +/- 20mm and vertical accuracy of +/- 20mm. • Grid projection is MGA94 Zone 53.

Criteria	JORC Code explanation	Commentary
		• No downhole surveys have been completed – all holes are vertical and <50m deep
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• Sample splitting took place in the Cummins shed in sterile conditions. The samples were run through a 7:1 3 tier splitter to compile composite samples of between 2 and 4kg in weight.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• Vertical drilling generally achieved a very high angle of intercept with the flat-lying, stratabound mineralisation. • Drilling orientations are considered appropriate with no obvious bias.
Sample security	• The measures taken to ensure sample security.	• Drill samples were collected by Andromeda personnel and delivered to the Cummins shed. After the samples were riffle split and composited, they were collected by Eyre Peninsular Freight Service from Cummins who then transported the samples to Bureau Veritas in Adelaide. Once Bureau Veritas had split to a subset sample splits were collected by ADN staff and delivered to CSIRO for XRD testing.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• No external audits or reviews of modelling techniques and data have been undertaken.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	• The Mt Hope Kaolin Project (Exploration Licence) is located on EL 6286. • There are no non-government royalties due. • The underlying land title is freehold that has extinguished Native Title.

Criteria	JORC Code explanation	Commentary
	• The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	• There are no known historical sites within the Mt Hope area which preclude exploration or mineral development. • The tenement is secure and compliant with Government of South Australia Department for Energy and Mining requirements at the date of this report.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• The general area that is the subject of this report has been explored for kaolinitic products in the past by Abaleen Resources, Loch Shiel and South Australian Kaolin and has been reviewed by ADN. • The area has also been explored by CRA, Stockdale Prospecting, Lynch Mining and Monax Mining for other commodities.
Geology	• Deposit type, geological setting and style of mineralisation.	• The Mt Hope kaolin deposits was developed in situ by lateritic weathering of the Archaen Sleaford Complex gneiss. • The resultant kaolin deposit at Mt Hope is a sub-horizontal zone of the kaolinised gneiss resting with a fairly sharp contact on unweathered gneiss. The kaolinised zone is overlain by loosely consolidated Tertiary and Quaternary sediments.
Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	• A listing of the drillhole information material to the understanding of the exploration results is provided in ADN ASX announcement dated 15 July 2020 ”New major market opportunity for Andromeda with Mount Hope Project”
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and	• Samples are composited based on geological logging, no data aggregation has been undertaken. • Maximum or minimum grade truncations have not been applied. • No metal equivalent values have been quoted.

Criteria	JORC Code explanation	Commentary
	some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	• Drillhole angle relative to mineralisation has been almost perpendicular, with vertical drillholes through flat horizontal mineralisation related to the regolith. Generally, the stratabound intercepts are close to true width.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• Appropriate maps, sections and tabulations are presented in the body of the announcement.
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• Comprehensive reporting of exploration results are reported in ADN ASX announcement dated 15 July 2020 "New major market opportunity for Andromeda with Mount Hope Project".
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• All material results are reported n ADN ASX announcement dated 15 July 2020 "New major market opportunity for Andromeda with Mount Hope Project".

Further work	• The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).
	• Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.
		• Further work can be broken up into four categories
		  ○ Test work on recently acquired samples
		  ○ Infill drilling for Resource classification upgrade
		  ○ Diamond drilling for samples to determine density and undertake geotechnical measurements.
		  ○ Test lateral extensions to the south

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.

Criteria	JORC Code explanation	Commentary
Database integrity	• Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. • Data validation procedures used.	• All relevant data were entered into an Access database where various validation checks were performed including; duplicate entries, sample overlap, unusual assay values and missing data. • Further data validation was undertaken using Vulcan again checking for overlap and visual reviews of data were conducted to confirm consistency in logging. • Assessment of the data confirms that it is suitable for resource estimation.
Site visits	• Comment on any site visits undertaken by the Competent Person and the outcome of those visits. • If no site visits have been undertaken indicate why this is the case.	• A planned field visit to inspect the Mt Hope aircore drilling program by the Competent Person was cancelled due to COVID-19 travel restrictions. The Competent Person has been present when the same field crew and drillers were undertaking resource drilling at Great White and has confidence the work was undertaken at the same standard.
Geological interpretation	• Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. • Nature of the data used and of any assumptions made. • The effect, if any, of alternative interpretations on Mineral Resource estimation. • The use of geology in guiding and controlling Mineral Resource estimation. • The factors affecting continuity both of grade and geology.	• The geological understanding is quite straightforward with the drillhole spacing allowing for a high level of confidence. • Consistent logging has allows for the 3D modelling of geological surfaces. These surfaces include a top of kaolinite mineralisation (generally coincides with the base of silicified kaolinite) and a base of kaolinite (generally coincides with the top of partially decomposed granitic gneiss). • The surfaces indicate the flat-lying nature to the mineralisation although there are significant variations in thickness of the kaolinite. • Wireframe; termination of wireframes is due a combination of geology and extent of drilling (100m). • The existing interpretation honours all the available data; an alternative interpretation is unlikely to have a significant impact on the resource estimates.
Dimensions	• The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	• Mineralisation can be modelled N-S for 1.8km of strike length, and down dip for 0.7km (very shallow dip of 1o to the east). The mineralised zone has an average thickness of 13m but reaches a thickness of 41m in the south (MH20AC040). • The depth below surface to the top of the mineralisation ranges between 5 and 21 metres with an average depth of 9.4m.

Criteria	JORC Code explanation	Commentary
Estimation and modelling techniques	• The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. • The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. • The assumptions made regarding recovery of by-products. • Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation). • In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. • Any assumptions behind modelling of selective mining units. • Any assumptions about correlation between variables. • Description of how the geological interpretation was used to control the resource estimates. • Discussion of basis for using or not using grade cutting or capping. • The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	• Mineral wireframes and geological surfaces are generated in Vulcan by picking lithological contact points on drillholes then using those 3D points to generate an initial surface. The initial surface is then used to guide the 100m lateral extrapolation beyond the last drillhole. • The kaolin wireframes were used to control the composite selection and the loading of subsequently modelled data into the block model. • Geostatistics were performed for the -45um recovered material, Al_2O_3, Fe_2O_3, SiO_2, TiO_2, R457 (reflectance). Halloysite and kaolinite percentage was also analysed • Vulcan software was used for the block grade interpolation and block model reporting. • Correlation between the main economic elements (including contaminants Fe_2O_3, and TiO_2) were weak indicating possible mineral zonation, which is not an uncommon feature with the type of mineralisation. • The deposit was drilled at a nominal 250m spacing with sample compositing of the 1m bulk samples up to 5m (predominantly 3 to 5m). • Parent block sizes were 50m in the X (east) direction, 50m in the Y (north) direction and 5m in the Z (RL) direction with sub-blocking to 5m by 5m by 1m. • The inverse distance square (ID2) estimation method was used. • 159 composites were used with compositing of the drillhole sample data • No top cutting was applied; the coefficients of variation for the relevant composite datasets suggest that the data is not sufficiently skewed or unstructured to warrant top cutting. • One search ellipse was used, orientated to follow the strike of the mineral unit. • Search size: Major 300m (orientated 007), semi-major 200m (orientated 097) and minor 5m (vertical). • Composites (1m) used to estimate each block were limited to 15 with a maximum of 5 composites per hole. • Model validation has consisted of visual comparison of block grades to drillholes and composite block grades to composite drillhole values and indicated a good match. • There is very minor change in volume (less than 1.5%) in the overlapping area of the 1973 Abaleen Resource and the 2020 ADN Resource.
Moisture	• Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture	• Tonnages are estimated on a dry weight basis.

Criteria	JORC Code explanation	Commentary
	content.	• The dry bulk density used for the Mt Hope Resource Estimate is based off the Great White dry bulk density which was calculated using a modified Archimedes density measurement. • The method involved vacuum sealing fresh drill samples and completing weight in air weight/water measurements along with oven-drying the sample.
Cut-off parameters	• The basis of the adopted cut-off grade(s) or quality parameters applied.	• The resource estimate has been reported at R457 reflectance of 75 within the upper and lower kaolinite surfaces. • The -45µm values were used as a mass adjustment factor for reporting the kaolinite and halloysite content. • The R457 cut-off grade at which the resource is quoted reflects the intended bulk-mining approach.
Mining factors or assumptions	• Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	• The Resource assumes a conventional open pit mining scenario. • The proposed mining method will be a truck-excavator operation • A flitch height of 2.5m is assumed using a 90t to 100t excavator and a fleet of 45t to 65t trucks • Assumptions for the mining dilution and recovery for the open pit mine are 0% dilution and 90% recovery. • It is anticipated that most of the pit excavation will be mined sequentially with previous voids backfilled by overburden and sand reject material from the processing plant. • Material intended for processing will be delivered to a run of mine stockpiles based on physical and chemical properties of the ore. • It is likely that processing plant feed will be blended from a variety of in pit sources and stockpiles to maximise the delivery of product meeting market specification requirements.
Metallurgical factors or assumptions	• The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	• No testwork has been undertaken but the process to undertake the work has commenced. • Around 50kg of samples has been selected which is expected to yield around 20kg of -45µm material to undertake metallurgical and application testwork.

Criteria	JORC Code explanation	Commentary
Environmental factors or assumptions	• Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	• The Mt Hope deposit area is currently utilised for grazing and cereal cropping. There are areas of remnant native vegetation left to stabilize sand dunes. • No large drainage systems pass through the area. • A storage area for the overburden will be required initially. If processing is undertaken on site approx. 50-60% of sand rejects will be used for sequential backfilling of voids. There will be no tailings.
Bulk density	• Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples. • The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit. • Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	• The dry bulk density is assumed. The assigned density of 1.4tm^3 is based off the measured 1.44tm^3 determined for the Great White Halloysite-Kaolin Deposit. • The Great White dry bulk density method involved vacuum sealing fresh samples and completing weight in air weight/water measurements along with oven-drying the sample. Details can be found in ADN ASX announcement dated 23 December 2019 “Significant Increase in Mineral Resource for the Poochera Kaolin Project” • The default density value of 1.4t/m3 is considered slightly conservative.
Classification	• The basis for the classification of the Mineral Resources into varying confidence categories. • Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). • Whether the result appropriately reflects the Competent Person’s view of the deposit.	• Mineral Resources have been classified on the estimation subject to assessment of other impacting factors such as drillhole spacing, sampling procedures, QAQC outcomes, geological model and previous resource estimate. • The classification appropriately reflects the Competent Person’s view of the deposit.
Audits or reviews	• The results of any audits or reviews of Mineral Resource estimates.	• No reviews or audits have been completed.
Discussion of relative accuracy/ confidence	• Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within	• The Mineral Resources have been classified using a qualitative assessment of a number of factors including the geological understanding in conjunction with the simplicity of mineralisation, the drillhole spacing, drill sample recoveries), sampling procedure, QA/QC data and density data.

Criteria	JORC Code explanation	Commentary
	stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. • The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. • These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	• The Mineral Resource estimate are considered to be accurate globally, but there is some uncertainty in the local estimates due to the sample compositing and density data giving a lack of detailed definition of any subtle variations in the deposit. • No mining of the deposit has taken place so no production data is available for comparison.