



Our Vision: Leading the world in the sustainable supply of superior quality industrial minerals and advancement of nanotechnologies.

DFS UPDATE 8 APRIL 2022

ASX:ADN
andromet.com.au

Disclaimer and compliance statement

This Presentation has been prepared by Andromeda Metals Limited (ACN 061 503 375) (**Andromeda** or **Company**). By accessing this Presentation, you acknowledge that you have read and understood the following statement.

The information contained in this Presentation is of a general nature and is for information purposes only. This Presentation has been prepared without taking into account any particular person's objectives, financial situation or needs; does not purport to identify the nature of specific market or other risks associated with any investments described within it and does not constitute any legal, taxation, investment or accounting advice. All information in this Presentation is indicative, is based on certain assumptions and current market conditions and is subject to change without notice. No information contained in this Presentation constitutes a prediction or forecast as to the performance of any investments. Assumptions upon which financial illustrations are based may differ from actual circumstances. No reliance should be placed on the information in this Presentation and any investment decision should be based only on the information in final offer documents and a person's own due diligence, inquiry, assessment and advice.

Forward-looking statements

This Presentation contains or may contain certain “forward-looking statements” and comments about future events, that are based on Andromeda management's beliefs, assumptions and expectations and on information currently available to management as at the date of this Presentation. Often, but not always, forward-looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "plan", "believes", "estimate", "anticipate", "outlook", and "guidance", or similar expressions, and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production and production potential, estimates of future Mineral Resources and Ore Reserves.

Where Andromeda expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and on a reasonable basis. No representation or warranty, express or implied, is made by Andromeda that the matters stated in this presentation will in fact be achieved or prove to be correct.

Readers are cautioned against placing undue reliance on forward-looking statements. These forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of Andromeda, the directors, and management of Andromeda. These factors include, but are not limited to difficulties in forecasting expected production quantities, the potential that any of Andromeda's projects may experience technical, geological, metallurgical and mechanical problems, changes in market prices and other risks not anticipated by Andromeda, changes in exchange rate assumptions, changes in product pricing assumptions, major changes in mine plans and/or resources, changes in equipment life or capability, emergence of previously underestimated technical challenges, increased costs, and demand for production inputs.

To the maximum extent permitted by law, neither Andromeda nor its related corporations, Directors, officers, employees or agents, nor any other person, accepts any liability, including, without limitation, any liability arising from fault or negligence, for any loss arising from the use of this presentation or its contents or otherwise arising in connection with it. Andromeda is under no obligation to release any updates or revisions to the information in this presentation to reflect any change in expectation or assumptions and disclaim all responsibility and liability for these forward-looking statements (including without limitation, liability for fault or negligence).

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.

No investment advice and investment risk

The information contained in this Presentation does not constitute investment or financial product advice (nor taxation or legal advice) and is not intended to be used as the basis for making an investment decision or as a recommendation to acquire shares and does not take into account the reader's personal circumstances.

An investment in Andromeda's securities is subject to investment and other known and unknown risks, some of which are beyond the control of Andromeda including loss of income and principal invested.

No warranty

While care has been taken in preparing the information in this Presentation, no representation or warranty, express or implied, is made as to the currency, accuracy, reliability, completeness or fairness of the information, opinions and conclusions contained in this Presentation. The information in this Presentation has been obtained from or based on sources believed by Andromeda to be reliable. No member of Andromeda or any person with a direct or indirect interest in Andromeda or any of their respective directors, officers, employees, affiliates, partners, consultants, agents, representatives or advisers (including, without limitation, advisers and their related bodies corporate, shareholders or affiliates, and any of their respective officers, directors, employees, affiliates, partners, representatives, consultants, agents or advisers, together the Advisers) guarantees or makes any representations or warranties, express or implied, as to or takes responsibility for, the currency, accuracy, reliability, completeness or fairness of this Presentation nor the information, opinions and conclusions contained in this Presentation.

Mineral Resources and Ore Reserves Estimates

As an Australian company with securities listed on the Australian Securities Exchange (ASX), Andromeda is subject to Australian disclosure requirements and standards, including the requirements of the Corporations Act and the ASX. Investors should note that it is a requirement of the ASX listing rules that the reporting of ore reserves and mineral resources in Australia comply with the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the **JORC Code**) and that the Ore Reserve and Mineral Resource estimates underpinning the production targets in this presentation have been prepared by a Competent Person in accordance with the JORC Code.

Information that relates to Mineral Resources estimates has been previously announced to ASX on 23 December 2019, "Significant increase in Mineral Resource for the Poochera Kaolin Project", 29 September 2020, "New mineral resource estimate for Hammerhead Halloysite-Kaolin Deposit" and 11 August 2020, "New Mineral Resource for the Mount Hope Kaolin project", and information that relates to Mineral Reserves estimates has previously been announced to ASX on 6 April 2022, "Great White Kaolin Project – Definitive Feasibility Study", all available at <https://www2.asx.com.au/markets/company/adn>. Andromeda confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. Andromeda confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Our Board



Mick Wilkes

Independent Non-Executive
Chair

An experienced mining executive and company director with more than 35 years of broad international mining experience coupled with a successful track record of leading the development and operation of greenfield mines.



Melissa Holzberger

Non-Executive Director
Chair, Audit & Risk Committee

Director and mining lawyer with over 20 years' experience in the international energy and resources sector. Spanning legal, risk and compliance oversight, and environment, social and governance (ESG).



James Marsh

Managing Director

Highly qualified kaolin specialist with more than 30 years' industrial minerals experience, including notable, senior technical and marketing roles with two global market leaders.



Andrew Shearer

Non-Executive Director
Chair, Technical Advisory Committee
Chair, Remuneration Committee

Involved in the mining and finance industries for 20 years. Coupled with geoscience and finance qualifications he has experience from exploration through to production.



Joe Ranford

Operations Director

Mining engineer with 25 years' senior management experience across both domestic and international mining companies, bringing mining operations into production within sensitive communities.

Where we are today



\$295M

Market Cap

**As at end of
day 07.04.22**



\$42.8M

Cash

**As at
31.12.21**



NIL

Debt



Combined kaolin
resources over
100Mt** and growing



Definitive Feasibility
Study released



Great White
Kaolin Project
advancing
towards
operations



Progressing toward
generating revenue
in 2023



15.1* Mt

**Total
Reserves
(GWKP)**



9,685km²

**All mineral
Tenements**



Great White
Project - high
quality halloysite-
kaolin & 28 year
Mine life



Multiple product
opportunities



Nanotechnology
opportunities



Gold and
Copper assets

*Total reserves from DFS ASX announcement 06.04.22

** Taken from Annual Report to shareholders 2021

Our purpose Through the use of our industrial minerals and nanotechnologies we strive to enrich the lives of people by improving the environment, creating prosperity for our shareholders and delivering value for our stakeholders.

Our vision

Lead the world in the sustainable supply of superior quality industrial minerals and advancement of nanotechnologies.



Our mission

To mine and process industrial minerals for supply, together with advancing nanotechnologies, to our global customer base by leveraging our unique natural resources and intellectual capital.

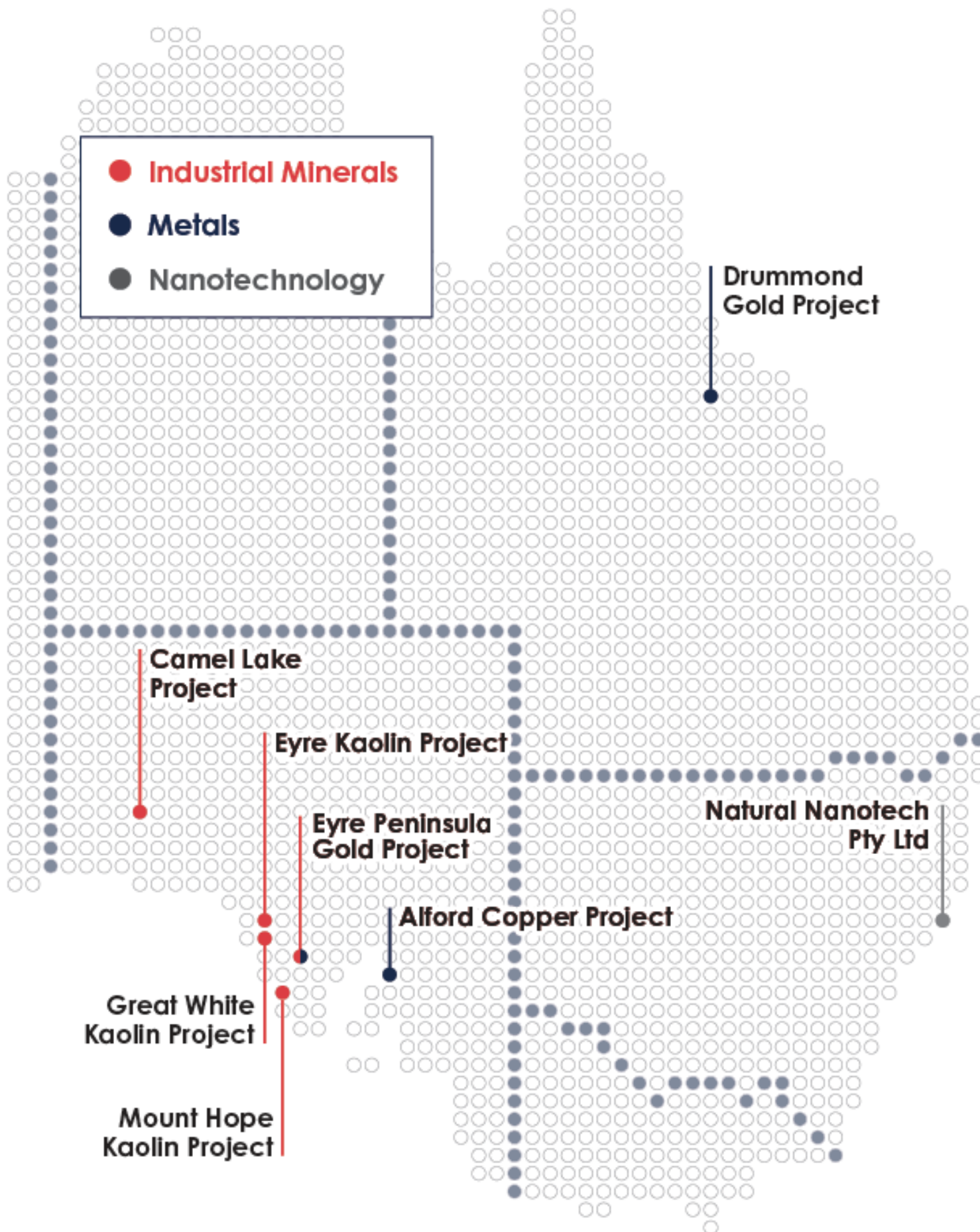
Our values



Innovation Teamwork Integrity Quality

The safety and wellbeing of our employees and our communities is our first priority.

Our strategic focus areas



INDUSTRIAL MINERALS - **GROW**



- Great White Kaolin Project
- Mount Hope Kaolin Project
- Eyre Kaolin Project
- Camel Lake Project

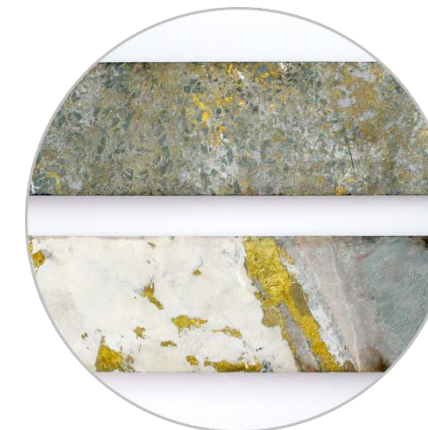
>100Mt of JORC Resources ^{1,2,3,4}



METALS - **HARVEST**



- Alford Copper Project
- Eyre Peninsula Gold Project
- Drummond Gold Project



NANOTECHNOLOGY - **GROW**



- Natural Nanotech Pty Ltd



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 - Products



**Ceramic product
Great White CRM™**

- Binding Offtake in place



**Coatings product
Great White PRM™**

- Binding Offtake in place

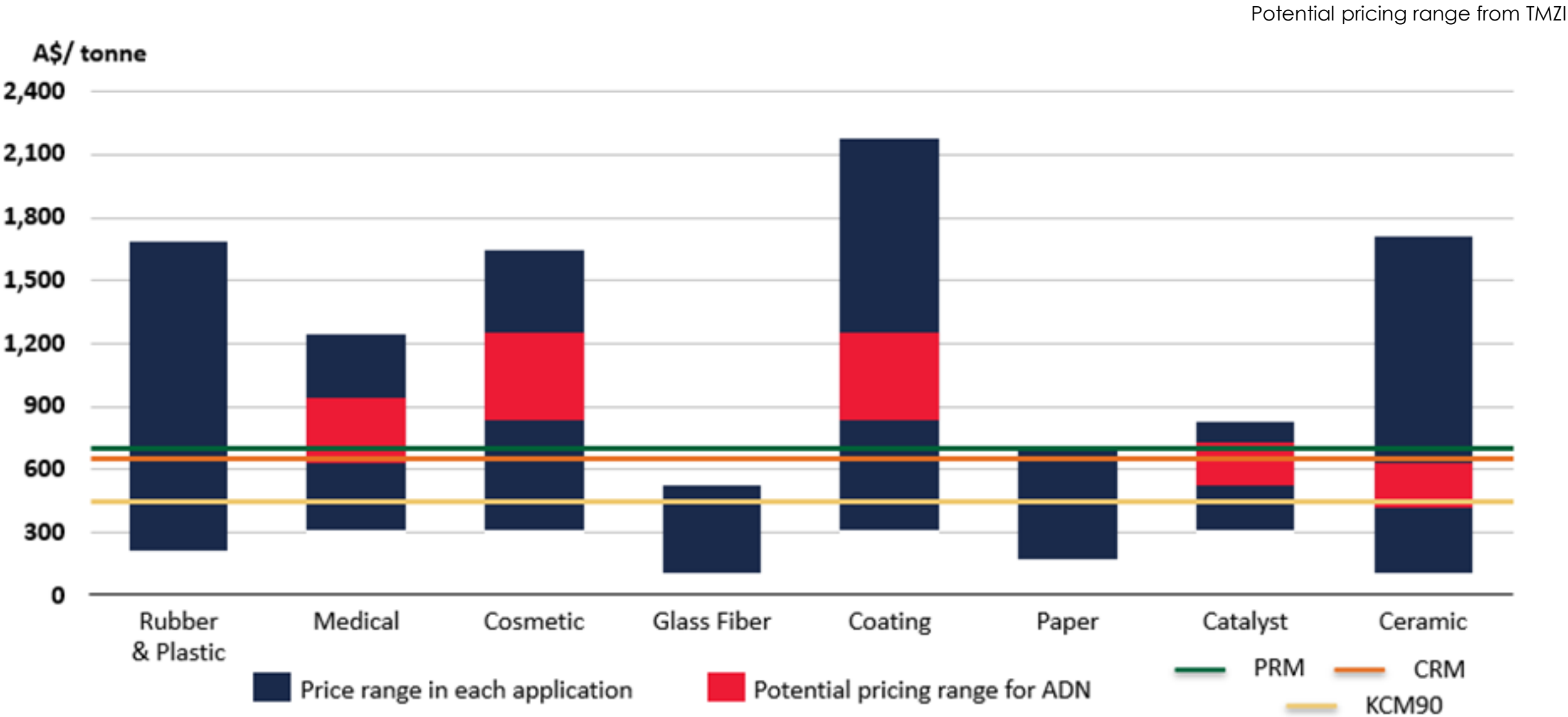


**Concentrate Product
Great White KCM™90**



**Concrete Product
Great White HRM™**

Chinese kaolin market price by end-use market in 2021 (page 34 of DFS)



KCM Opportunity (Stage 1)

With further beneficiation by customers, enables delivery into the following market segments:

- Medical, Cosmetics, Coatings, Catalyst and Ceramics
- Establishing the Andromeda brand
- Informs strategy to maximise value

CRM Opportunity (Stage 2)

Focussing on the Ceramics market, requiring a small incremental investment to deliver into offtake agreement

CRM Opportunity (Stage 3)

Increased capacity of Stages 1 & 2 (from 300ktpa to 600ktpa feed tonnes)

CRM/PRM Opportunity (Stage 4)

Diversifying into Coatings market, retaining the expanded Ceramic strategy

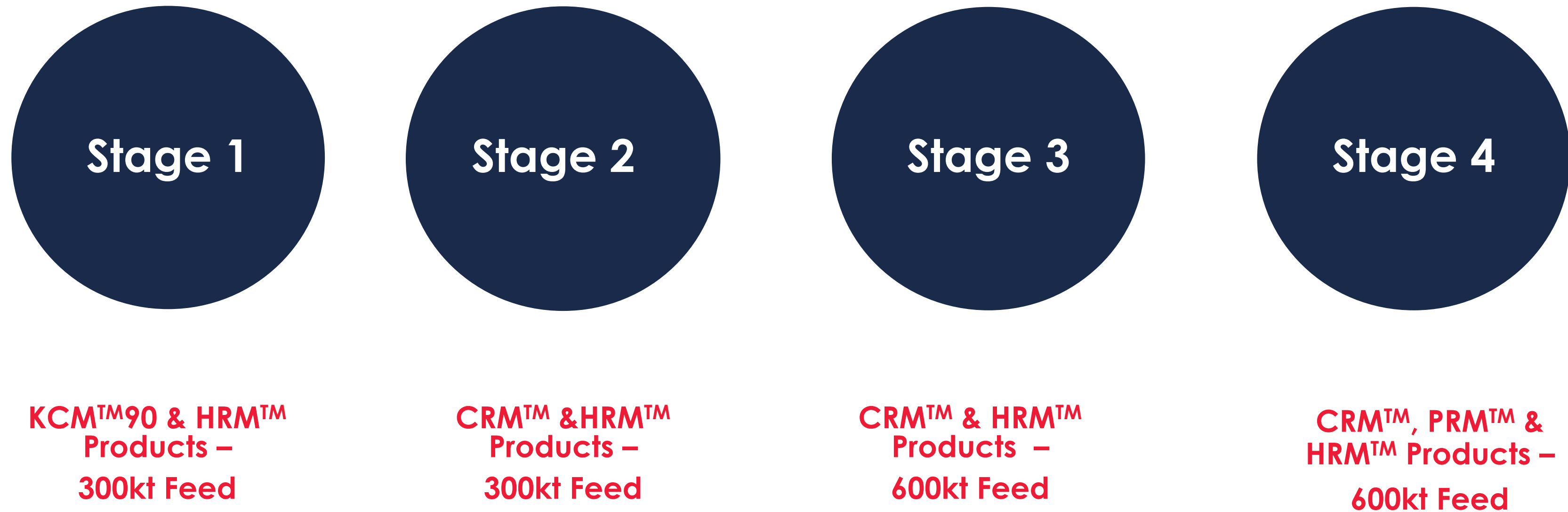
Definitive Feasibility Study

A considered staged strategy

- De-risked measured approach
- Minimising upfront capital requirement
- Allows for funding subsequent expansion phases via retained earnings



Definitive Feasibility Study – 4 staged approach



Great White Kaolin Project – Summary

Building a foundation from one of the largest reserves of halloysite-kaolin in the world

PLANT FEED
(NOMINAL)

YEARS 1 - 5
300,000 dmt
YEARS 6 – 28
600,000 dmt

PRODUCTION
GREAT WHITE HRM™

260,000 dmt

PRODUCTION
GREAT WHITE KCM™ 90

246,000 dmt

PRODUCTION
GREAT WHITE PRM™

336,000 dmt

PRODUCTION
GREAT WHITE CRM™

6,400,000 dmt

Weighted average
product sale price (dmt)

AUD \$653

MINE LIFE

28 years

STRIP RATIO

2.3

Great White Kaolin Project –Summary

START-UP CAPITAL
(STAGE 1)

\$93.8 M

SUSTAINING
CAPITAL

\$26 M

REVENUE

\$4,706 M

EBITDA

\$2,283 M

PRE-TAX
CASHFLOW

\$2,050 M

NPV (BEFORE TAX)

\$613 M

IRR
(% BEFORE TAX)

36%

PAYBACK PERIOD
(Stages 1-3)

5.9 YEARS

What's next



Finance

- ✓ Definitive Feasibility Study completed
- Additional Binding offtakes agreements
- Complete Bankable Feasibility Study
- Secure funding



Approvals and construction

- ✓ Mining Lease granted
- Pilot plant upgrade
- PEPR and land access
- Construct and commission processing plant
- Operational start



Value opportunities

- Carbon capture plant delivery imminent
- High Purity Halloysite
- Additional Kaolin/Halloysite/HRM Resources
- Nanotechnology commercialisations



James Marsh

Managing Director & CEO

james.marsh@andromet.com.au

ASX:ADN

andromet.com.au

Level 10, 431 King William Street, Adelaide, South Australia 5000 +61 8 7089 9800

Authorised for release by the Board of Andromeda Metals Ltd

JORC Resource Reference Tables 1

	Measured Resource				Indicated Resource				Inferred Resource				Total Resources			
	Tonnes	PSD	Kaolinite	Halloysite	Tonnes	PSD	Kaolinite	Halloysite	Tonnes	PSD	Kaolinite	Halloysite	Tonnes	PSD	Kaolinite	Halloysite
	(Mt)	<45µm	(%)	(%)	(Mt)	<45µm	(%)	(%)	(Mt)	<45µm	(%)	(%)	(Mt)	<45µm	(%)	(%)
Great White ^{1,2,3}	5.7	50.2	39.5	6.9	14.2	51.1	42.0	5.0	14.7	49.3	40.3	4.9	34.6	50.2	40.9	5.3
Hammerhead ^{1,3,4}									51.5	52.6	42.7	6.5	51.5	52.6	42.7	6.5
Mount Hope ^{1,3,5}									18	41.5	33.8	1.4	18	41.5	33.8	1.4
Total ¹	5.7	50.2	39.5	6.9	14.2	51.1	42.0	5.0	84.2	49.7	40.4	5.1	104.1	49.9	40.6	5.2

1. Figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.
2. ASX 26 November 2020, Updated mineral resource for the Great White Kaolin JV Deposit
3. ISO brightness (R457) cut-off of at 75 in the <45µm size fraction
4. ASX 29 September 2020, New mineral resource estimate for Hammerhead Halloysite-Kaolin Deposit
5. ASX 11 August 2020, New mineral resource for the Mount Hope Kaolin Project

Competent Person's Statements

Great White and Mt Hope Projects Resources and Reserves

Information in that relates to the Great White Project and Mt Hope Project has been reviewed 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, options and performance rights in the company and is entitled to participate in Andromeda's employee incentive plan (details of which are included in Andromeda's Annual Remuneration Report) 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 undertaking to qualify as Competent Person 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.

The data that relates to Mineral Resource Estimates for the Great White Kaolin Project (Great White and Hammerhead Deposits) and Mount Hope Kaolin Project are 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 has 30 years of experience in the mining industry. Mr Whittaker consents to the information in the form and context in which it appears. Mr Whittaker holds Performance Rights in the Company and is entitled to participate in Andromeda's employee incentive plan.

The data in this report that relates to Ore Reserve Estimates for the Great White Kaolin Resource is based on information evaluated by Mr John Millbank who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr Millbank is the Director of Proactive Mining Solutions Pty Ltd, an independent mining consultancy, 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 Millbank consents to the information contained in this report being used in the form and context in which it appears. Mr Millbank, or any of the entities he directly controls, has no financial interests in Andromeda Metals Ltd or any of its subsidiaries.

Great White Kaolin Project –Summary

GWKP Key Indicators

Parameter		Life of mine (Total)
Plant feed (nominal)	Dry metric tonnes (dmt)	300,000 (years 1-5) 600,000 (years 6-28)
Production	Great White HRM™ (dmt)	260,000
	Great White KCM™90 (dmt)	246,000
	Great White PRM™ (dmt)	336,000
	Great White CRM™ (dmt)	6,400,000
Weighted average product sale price (AUD/dmt)		653
Life of mine (years)		28
Strip ratio		2.3
Start-up capital (AUD million)		93.8
Sustaining capital (AUD million)		26.0
Revenue (AUD million)		4,706
EBITDA ¹ (AUD million)		2,283
Pre-tax cashflow (AUD million)		2,050
NPV (before tax) (AUD million)		613
IRR (% before tax)		36
Payback period (stages 1 – 3 in years) ²		5.9

1 Earnings Before Interest, Taxes, Depreciation, and Amortization
2 Includes payback of initial AUD 93.8 million as well as the further plant upgrades within that time