

# ASX ANNOUNCEMENT

ANDROMEDA METALS LTD (Andromeda, ASX: ADN)



8 August 2022

## Andromeda Metals Limited

ABN: 75 061 503 375

### Corporate details:

ASX Code: ADN

Cash (30 June 2022): \$32.9m

Issued Capital:

3,110,008,432 ordinary shares

69,480,000 unlisted options

22,333,325 performance rights

### Directors:

**Mick Wilkes**

Non-Executive Chair

**James Marsh**

Managing Director

**Joe Ranford**

Operations Director

**Melissa Holzberger**

Non-Executive Director

**Andrew Shearer**

Non-Executive Director

**Austen Perrin**

Non-Executive Director

### Company Secretary:

**Andrea Betti**

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## Andromeda signs another Binding Offtake Agreement for KCM™90 from the Great White Project

Andromeda Metals Limited (ASX: ADN) (**Andromeda**, the **Company**) a near-term producer of the halloysite-kaolin industrial mineral is pleased to announce that it has signed a second legally binding offtake supply term sheet (**Agreement**) to supply its Great White KCM™90 product from the Great White Kaolin Project in South Australia subject to standard conditions precedent.

### Highlights

- Andromeda has signed another legally binding offtake Agreement with the highly respected Japanese porcelain manufacturer Plantan Yamada to supply halloysite-kaolin from the Great White Kaolin Project.
- The binding Agreement is for up to a total of 43,000 tonnes of Great White KCM™ 90 over the first three years of production at a price in excess of the Definitive Feasibility Study pricing.
- The Agreement includes sales into the ceramics sector of Japan, adding further geographic diversity to the customer base.
- This agreement adds to the recent binding offtake agreement signed with Asia Mineral Resources (ADN ASX Release 26 July 2022 - *Andromeda Signs Binding Halloysite-Kaolin Offtake Term Sheet*) for Great White KCM™ 90.
- Negotiations are in progress to lock in additional strategic offtake agreements for the initial Great White plant output to further de-risk the project.
- This includes the Great White HRM™ concrete additive and Great White SRM™ suspension aid additive where a Letter of Intent for exclusive distribution rights into Asia/Pacific has already been signed with IMCD who are the world's largest additives distributor.

Under the Agreement, Andromeda will produce and supply up to 43,000t of KCM™90 over the first three years of operation with price reviews at 12 months and automatic extension for ongoing years subject to agreement.

Plantan Yamada Co Ltd (Plantan Yamada) has been analysing and testing samples at laboratory, pilot scale and full commercial scale over the last three years including a 40-tonne batch of Great White material. They also manufactured a large batch of high-quality porcelain items to develop a sufficiently high level of confidence to sign a legally binding agreement.

About Plantan Yamada:

Plantan Yamada ([www.plantan.net](http://www.plantan.net)) is a multi-generational ceramics company with headquarters in Nagoya, Japan and production facilities in China and Japan. It is involved in the manufacture and sale of over 2,000 different high quality porcelain products as well as raw materials for ceramics. Its tableware products are used extensively throughout Japan where reputation is crucial as well as being exported around the world.

Gaining customer approvals and offtake agreements for industrial minerals products such as halloysite-kaolin is an extremely intensive and lengthy process. It involves a significant investment of resources and testing by the target customers, to the extent they are fully convinced of their ability to supply very consistent and economically viable product over a long period before they are willing to commit to a binding agreement. The Vietnamese and now also the Japanese ceramic experts have confirmed that the Great White halloysite-kaolin is a world class product that meets these criteria.

Great White halloysite-kaolin offers both high quality and long life reliable strategic supply, drawing strong interest globally from potential customers despite COVID travel restrictions disrupting meetings with potential offtake customers. Andromeda now has four major binding offtake agreements in place which includes three products over four stages of production ramp-up.

Andromeda's Managing Director James Marsh, said ***"This Agreement with a multi-generational leading Japanese porcelain producer a yet another significant milestone for Andromeda and the Great White Kaolin Project. It is the second binding agreement for our initial Great White KCM™90 product and provides excellent support for the strategic decision to start with this in Stage 1 of operations."***

*This ASX announcement has been approved for release by the Board of Directors of Andromeda Metals Limited.*

**For more information about the Company and its projects, please visit our website [www.andromet.com.au](http://www.andromet.com.au) or contact:**

**Manager, Investor Relations & Corporate Affairs**

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