



Andromeda

CHAIR'S ADDRESS

2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS OF ANDROMEDA METALS LIMITED

I am very proud to be speaking with you today, to reflect on the significant achievements of the Andromeda team during the past year.

Your Company's primary focus has been on securing the funding required for a final investment decision for the Great White Project.

The past year has seen a number of significant milestones achieved.

- In July 2024, a binding offtake agreement was signed with Traxys, which, with the 3 other offtake agreements provided the offtake support for Stage 1A+ development and provided us with the basis for commencing financing discussions. These agreements validated the high-quality of our products and premium pricing achieved, and reinforced the growing global demand for secure sources of high-quality kaolin.
- In addition to providing the basis for the Stage 1A+ project funding process, future expansions and the Project's long-term economics are underpinned by Traxys' binding commitment to purchase 50% of future processing capacity, up to a total of 130,000 wmt p.a.
- The securing of these agreements enabled your Company to re-engage capital market financiers and pursue financing for the project:
 - In March 2025 we entered into exclusive negotiations with Merricks Capital for a \$75 million debt facility, which was credit approved in June 2025. Final approvals and execution of an agreement with Merricks remain subject to finalisation of the balance of funding.
 - To that end, the Company progressed discussions with capital financiers during the year, undertaking a range of engagement and due diligence processes with potential investors.
 - This culminated in our recent announcement that ongoing discussions are now centred on a cornerstone equity investor, for potential asset level investments for both the Great White Project and additionally our HPA Project. Finalisation of this process remains subject to due diligence and agreement on terms, and we look forward to updating you on this process in due course.

- Operationally, we progressed with a range of project readiness activities including:
 - Procurement of the long lead items, with all key items now fabricated, and were warehoused in ahead of being shipped to Australia;
 - Plant optimisation and advanced detailed plant design and engineering was progressed; and,
 - Project and resource planning.
- To support the Company while these activities were pursued, the Company raised a total of over \$17.8 million before costs, including:
 - \$3.82 million before costs in late 2025, by way of a Share Placement, a 1-for-13 pro-rata non-renounceable entitlement offer, and the placement of shortfall to eligible shareholders and other investors;
 - \$13 million before costs raised a share placement which in October 2025; and.
 - \$996,000 million before costs through a Share Purchase Plan which closed last week, the results of which was announced yesterday.
- Additionally, the free attaching options under these offers, if exercised, will provide an additional \$12.5 million in working capital.
- Following the most recent Share Placement, your Company announced its intention to pay a total of \$4.55 million in environmental and rehabilitation bond payments, in order to enable the commencement of pre-construction early works.
- Early works activities will include:
 - Site preparation activities, including construction of the mine access road and bulk earthworks for the Stage 1A+ processing plant.
 - Geotechnical and grade control drilling to refine our understanding of the land and refine our initial pit design.

Andromeda's team have been on the ground actively communicating with our local stakeholders, with the local community made aware and invited to information sessions happening with locals next week.

- In addition, those key items I mentioned earlier, which are fabricated and being warehoused overseas, will be shipped to Australia to be closer to the mine site ahead of construction starting.

The Company is looking forward to being able to provide shareholders with updates as the early works activities progress.

In addition to these Great White Project achievements completed during the year, we have also had significant success during the past year with our HPA Project.

- In May, Andromeda made an exciting breakthrough by producing high purity alumina, otherwise known as HPA, to 99.9985% purity using refined Great White kaolin product and our proprietary process.
- In September, a Scoping Study was completed demonstrating market-leading economics, which include a post-tax Net Present Value of over \$1 billion and an IRR of 69%. This shows the strong economic potential for Andromeda to become a leading global producer of low-cost, low-carbon HPA.

- Based on these exciting results, in October your Company progressed to the next stage of commercialisation. We have initiated pilot scale testwork for the continuous production of commercial 4N HPA, and expect to commence having samples for evaluation by potential customers in early 2026.
- We have also started to look at funding for HPA, in addition to the ongoing cornerstone equity discussions which include the potential for an asset level investment the HPA Project, the Company has engaged with various government and government funding bodies, both domestic and offshore.

Going forward, Andromeda's primary focus remains on progressing the development of Stage 1A+ of the Great White Project.

While doing this, we continue to also look for future opportunities that can meaningfully contribute to the future growth of the Company. These opportunities include:

- the HPA Project
- expansion beyond Stage 1A+ at the Great White Project; and
- future development of the significant additional kaolin resources Andromeda has in the surrounding region.

Throughout the financial year, the Board remained focused on prudently managing costs and conserving cash. This saw a number of cost saving and cash conservation measures implemented.

Joining the Board during the year were Jean-Dominique (JD) Sorel and Miguel Galindo as Non-executive Directors. Their depth of expertise in industrial minerals and global markets strengthens our governance and broadens our strategic capabilities. Together, they have the right mix of skills and experience in industrial minerals across the Company's target markets, which have been invaluable for the Company.

In summary, the Great White Project is development-ready, with funding in the process of being secured and early works commencing next week.

Funding discussions with the aim of securing the finance required for Stage 1A+, are progressing with a cornerstone equity investor interested in potential asset level investments for both the Great White Project and our HPA Project.

The Board and Management remain focused and committed to delivering on the full potential of the Great White and HPA Projects, which in turn will deliver long-term value for our shareholders.