

Andromeda Metals Limited
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ASX ANNOUNCEMENT

17 November 2017

DESPATCH OF RIGHTS ISSUE REPLACEMENT PROSPECTUS TO SHAREHOLDERS

Andromeda Metals Limited (ASX: ADN the Company), advises that the Replacement Prospectus for the non-renounceable entitlement issue announced to the market on 9 November 2017 was mailed to eligible shareholders today.

A copy of the Replacement Prospectus is attached.



Chris Drown
Managing Director



METALS

NON-RENOUNCEABLE RIGHTS ISSUE
REPLACEMENT

PROSPECTUS

For a non-renounceable pro rata entitlement issue to Eligible Shareholders of up to approximately 285 million New Shares at an issue price of \$0.005 per Share on the basis of 1 New Share for every 2 Shares held on the Record Date to raise approximately \$1.425 million before expenses and 285 million New Options on the basis of 1 free attaching New Option for every New Share subscribed with each New Option having an exercise price of \$0.012 and a 3 year term expiring 30 November 2020.

This Rights Issue is lead managed by PAC Partners Pty Ltd

This offer closes at 5pm ACDT on Thursday 30 November 2017.

Valid acceptances must be received before that date.

IMPORTANT NOTICE

This document is important and requires your immediate attention. It should be read in its entirety. If you do not understand its contents, or are in doubt as to the course you should follow, you should consult your stockbroker, accountant or professional adviser.

The Shares and Options offered by this Prospectus should be considered speculative.



Corporate Directory

DIRECTORS

Rhod Grivas	Non-Executive Chairman
Chris Drown	Managing Director
Nick Harding	Executive Director and Company Secretary
Andrew Shearer	Non-Executive Director

REGISTERED AND PRINCIPAL OFFICE

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WEBSITE

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ASX CODE

ADN

LEAD MANAGER

PAC Partners Pty Ltd
Level 10, 330 Collins Street
Melbourne, Victoria 3000

AUDITORS*

Deloitte Touche Tohmatsu
11 Waymouth Street
Adelaide, South Australia 5000

SHARE REGISTRY

Computershare Investor Services Pty Ltd
Level 5, 115 Grenfell Street
Adelaide, South Australia 5000

ABN/ACN

75 061 503 375 / 061 503 375

* This entity has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus. Its name is included for information purposes only.

Important Information

This replacement Prospectus is dated 15 November 2017 and was lodged with ASIC on that date. It replaces the original prospectus lodged with ASIC on 9 November 2017. Neither ASIC or the ASX take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

This replacement Prospectus has been issued to further explain the possible impact on control should the largest shareholder take up its entitlements in full, changes arising from PAC Partners Pty Ltd being the Lead Manager rather than Underwriting this Offer and further details of the impact of the Offer on the financial position of the Company.

No New Shares or New Options (New Securities) will be issued on the basis of this Prospectus later than 13 months after the date of issue of this Prospectus (other than the issue of shares arising from the exercise of Options). Shares and Options issued pursuant to this Prospectus will be issued on the terms and conditions set out in this Prospectus.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) to Eligible Shareholders and has been prepared in accordance with Section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In preparing this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and professional advisors to whom investors may consult.

The Company will apply to the ASX for Official Quotation of the New Securities offered pursuant to this Prospectus.

Eligible Shareholders should read this Prospectus in its entirety and seek professional advice where necessary. The New Securities the subject of this Prospectus should be considered speculative.

An application for New Securities by Eligible Shareholders will only be accepted by following the instructions on the Entitlement and Acceptance Form accompanying this Prospectus as described in section 2.7 of this Prospectus.

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No person is authorised to give any information or make any representation in connection with the Offer described in this Prospectus. Any information or representation which is not contained in this Prospectus or disclosed by the Company pursuant to its continuous disclosure obligations may not be relied upon as having been authorised by the Company in connection with the issue of this Prospectus.

Foreign Shareholders

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer or invitation in any jurisdiction where, or to any person to whom, it would not be lawful to make such an offer or invitation.

New Zealand

The New Securities are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

Competent Person and JORC 2012 Compliance Statements

EXPLORATION RESULTS

The information in this Prospectus that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Chris Drown, a Competent Person, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Drown is employed by Drown Geological Services Pty Ltd and consults to the Company on a full time basis. Mr Drown has sufficient

experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. Mr Drown consents to the inclusion in the Prospectus of the matters based on his information in the form and context in which it appears.

WUDINNA GOLD CAMP MINERAL RESOURCE ESTIMATES

The information in this Prospectus relating to the Mineral Resource Estimates for the Barns, Baggy Green and White Tank gold deposits is extracted from reports entitled "Maiden 107,000 ounce gold resource estimated for Barns deposit" created on 19 July 2016; and "Wudinna Gold Camp Mineral Resource jumps to 200,000 ounces of gold" created on 23 January 2017. Both reports are available to view on www.andromet.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.

WUDINNA GOLD CAMP METALLURGICAL TESTWORK

The information in this prospectus relating to metallurgical testwork conducted on the Barns and Baggy Green gold deposits is extracted from reports entitled "Barns metallurgy results deliver 97% plus gold recovery with conventional flowsheet" created on 16 January 2017, and "Superb metallurgical gold recoveries to 99.3% at Baggy Green using conventional flowsheet" created on 6 July 2017. The reports are available to view on www.andromet.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company 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.

Letter to Shareholders

Dear Shareholder

On behalf of the Directors of Andromeda Metals Limited (Company), I am pleased to invite you to participate in a non-renounceable pro rata 1-for-2 entitlement offer to acquire further shares (New Shares) in the Company at an issue price of \$0.005 per New Share to raise approximately \$1.425 million before costs (Offer). Participants in the Offer will also be issued with one free New Option for every New Share subscribed. The New Options are transferrable with the Company to make application to the ASX for official quotation of the New Shares and New Options.

The Offer will only be made to Eligible Shareholders registered at the Record Date and who have been sent the Application Form accompanying this Prospectus. To accept your Entitlement under the Offer, you will need to complete the Application Form in accordance with the instructions on the form and as outlined in this Prospectus.

The Offer is lead managed by PAC Partners Pty Ltd who has been mandated by the Company to procure firm subscriptions for any shortfall. PAC Partners has advised the Company that it has received firm commitments for the entire amount of the Offer.

It is noted that the auditor for the Company's financial report for the financial year ending 30 June 2017 disclaimed its opinion on the basis of material uncertainties that cast doubt about the Company's ability to continue as a going concern, which was predicated on the raising of at least \$400,000 by 31 October 2017 and a further \$1,600,000 to meet an active exploration program and working capital requirements through to 30 September 2018.

I am pleased to report that with the recent placement announced on 27 October 2017 raising \$516,452 (net of costs) and the proceeds from this Offer, the Company has addressed the uncertainties noted by the auditor.

The proceeds of the Offer (net of costs) will be principally directed to completing maiden drill testing of epithermal gold targets in the Drummond Basin, progressing the Mylo-Frontier Pilbara Gold Project if due diligence investigations currently underway encourage the Company to complete the acquisition of the project, identification of new projects, and meeting working capital commitments.

The Prospectus includes further details of the Offer and the effect of the Offer on the Company, and a statement of the risks associated with investing in the Company. This is an important document and should be read in its entirety. If you have any doubts or questions in relation to the Prospectus you should consult your stockbroker, accountant, solicitor or other independent professional advisor to evaluate whether or not to participate in the Offer.

The Offer presented under this Prospectus, together with the recent share placement announced on 27 October 2017, will in total raise \$1.99 million before costs, securing the Company's financial position and allowing a recommencement of a material exploration effort at a time of rejuvenation for Andromeda Metals.

On behalf of the Board, I encourage you to consider this investment opportunity and thank you for your ongoing support.



Chris Drown
Managing Director

15 November 2017

Timetable of Important Dates

Lodgement of Prospectus with ASIC	Thursday	9 November 2017
Announcement of Issue (and lodge Appendix 3B)	Thursday	9 November 2017
Notice to Option holders advising of Offer	Thursday	9 November 2017
Notice to Shareholders containing Appendix 3B information and timetable	Friday	10 November 2017
Shares commence trading on an ex rights basis	Monday	13 November 2017
Record Date of the Offer	Tuesday	14 November 2017
Lodgement of replacement Prospectus with ASIC	Wednesday	15 November 2017
Prospectus and Entitlement and Acceptance Form despatched to Shareholders	Friday	17 November 2017
Opening Date of the Offer	Friday	17 November 2017
Closing Date of the Offer	Thursday	30 November 2017
New Securities quoted on a deferred settlement basis	Friday	1 December 2017
Advise ASX of any Shortfall	Tuesday	5 December 2017
Issue Date of New Securities (deferred settlement trading ends)	Thursday	7 December 2017

These dates are indicative only and subject to change without notice. The Company may extend the period of the Offer or bring forward the Closing Date at its discretion. This may have a consequential effect on the other dates.

1. Investment Summary

The information set out in this section is not intended to be comprehensive and should be read in conjunction with the full text of the Prospectus.

1.1 The Offer

This Prospectus invites Eligible Shareholders to participate in a pro-rata non-renounceable entitlement issue of approximately 285,097,428 New Shares at an issue price of \$0.005 per New Share, on the basis of 1 New Share for every 2 Shares held as at the Record Date of 14 November 2017. For every New Share subscribed, Shareholders will receive 1 free attaching New Option which has an exercise price of \$0.012 and an expiry date of 30 November 2020.

The Offer is lead managed by PAC Partners Pty Ltd.

There is no minimum subscription to the Offer.

On the same date as announcing the Offer, the Company applied to the ASX for the New Shares and New Options to be granted Official Quotation on the ASX. Official quotation of the New Securities is expected to occur on 7 December 2017.

The Directors may at any time decide to withdraw this Prospectus and the Offer of New Securities made under this Prospectus, in which case the Company will return all Application Monies (without interest) within 28 days of giving notice of such withdrawal.

1.2 New Share Terms

Upon issue, each New Share will rank equally with all existing Shares then on issue. A summary of the rights and liabilities attaching to the New Shares is set out in section 4.1.

1.3 New Option Terms

A summary of the rights attaching to the New Options is set out in section 4.2.

1.4 Acceptance of Entitlement to New Shares

The number of New Securities to which an Eligible Shareholder is entitled and the total amount an Eligible Shareholder would have to pay if they choose to take up all of their rights to subscribe for New Securities is shown on the Entitlement and Acceptance Form accompanying this Prospectus. This Prospectus is for the information of Eligible Shareholders who are entitled and may wish to apply for the New Securities. Fractional entitlements will be rounded up to the nearest whole number.

Entitlements to New Securities can be accepted in full or in part by completing and returning the Entitlement and Acceptance Form which accompanies this Prospectus together with your cheque or bank draft for the total amount

payable or making payment of Acceptance Monies by BPAY in accordance with the instructions set out in section 2.7 and on the Entitlement and Acceptance Form. Acceptance Monies should be rounded up to the nearest cent.

Application Monies for the New Securities must be received by the Company at its Share Registry by the Closing Date. Please refer to the timetable for the important dates of the Offer.

1.5 Purpose of the Offer

The Directors intend to apply the proceeds from the Offer to:

Exploration and evaluation including further drilling	\$950,000
Working Capital	\$335,000
Cash costs of the Offer	\$140,000
Total	\$1,425,000

1.6 Investment Highlights



Figure 1: Project locations

1.6.1 DRUMMOND EPITHERMAL GOLD PROJECT

The Company holds four, wholly owned tenements in the Drummond Basin in Queensland which are prospective for epithermal gold deposits analogous to the plus 3-million ounce high grade Pajingo goldfield which also occurs in the Drummond Basin.

Programs of surface prospecting, rock chip sampling and soil geochemistry completed by Andromeda Metals on two of the project tenements have discovered the Bunyip, Roo Tail, Poppi's and East Central Limey prospects. Each of the four targets are confirmed to be gold-bearing epithermal systems, none of which have previously been drilled. All approvals to test these targets are in place.

The two other project tenements each contain historical prospects reportedly of epithermal character. The areas are amenable to programs of low cost exploration similar to the work that delineated the drill targets such as Bunyip.

1.6.2 MYLO-FRONTIER PILBARA GOLD PROJECT

The Pilbara region has attracted significant attention following the discovery by Novo Resources (TSX.V:NVO) of gold mineralisation hosted in conglomerates occurring near the base of the Fortescue Group, a sequence of Archaean volcanic and sedimentary rocks that out crop over extensive areas in the Pilbara.

This style of mineralisation is reportedly potentially analogous to the conglomerate hosted gold deposits of the Witwatersrand which have produced in excess of 1 billion ounces of gold, and so represent highly attractive exploration targets.

Andromeda Metals has signed a binding term sheet that, subject to the satisfactory completion of due diligence investigations, would allow the Company to acquire 100% equity in a 756 km² Pilbara gold project comprising eleven Exploration Licence Applications (ELAs) pegged by Mylo Gold Pty Ltd and Frontier Exploration Pty Ltd, (together the "Mylo-Frontier Pilbara Gold Project").

1.6.3 EYRE PENINSULA GOLD PROJECT (INCLUDING THE WUDINNA GOLD CAMP)

Andromeda Metals holds a significant 100% owned ground position on the Eyre Peninsula of South Australia. Included within the project tenements is the Wudinna Gold Camp, a cluster of gold prospects located about 20 km north of the town of Wudinna.

The Wudinna Gold Camp includes the Barns, Baggy Green and White Tank deposits where Mineral Resources (calculated within JORC 2012 guidelines) have been estimated. The consolidated Wudinna Gold Camp Mineral Resource, including the Baggy Green, White Tank and Barns gold deposits, totals 3.84 million tonnes at 1.62g/t gold for 200,300 ounces using a 0.5g/t gold cut-off grade, comprised of 0.38 million tonnes at 1.40g/t gold for 17,000 ounces of Indicated Resource and 3.469 million tonnes at 1.64g/t gold for 183,300 ounces of Inferred Resources.

Each of the Barns, Baggy Green and White Tank Resources remain open and, together with other gold prospects in the Wudinna Gold Camp, present excellent opportunities to further expand the local gold resource inventory.

Metallurgical testing has been conducted on composited samples representing both primary and oxide/supergene mineralised material from the Barns and Baggy Green deposits.

At Barns gravity and cyanide leaching of the gravity concentrate and tailings recovered 98.8% of the gold in a supergene sample, and an average of 97.5% of the gold in

primary samples. At Baggy Green recovery in a supergene sample was 94.3%, while recoveries for primary samples averaged 98.7%. These outstanding gold recoveries were achieved with modest reagent additions. Gravity and cyanide leaching therefore presents a viable conventional flowsheet for the Wudinna Gold Camp.

The Company recently announced it had entered into the Wudinna Gold Farm-In and Joint Venture with a private minerals exploration group that will see that group fund up to \$5 million through a staged earn-in over a maximum six year period to earn up to 75% equity. The deal can significantly progress the Wudinna Gold Camp Mineral Resources towards a decision to mine, potentially generating value for Shareholders.

1.6.4 ROVER COPPER GOLD PROJECT

The Tennant Creek district of the Northern Territory has produced over 5.5 million ounces of gold and over 480,000 tonnes of copper. The Rover Field is located south west of Tennant Creek and also hosts Tennant Creek style mineral deposits.

The Company's highly prospective Rover Project captures the majority of the Rover Field and includes the wholly owned Rover 4 copper-gold deposit and part of the Rover 1 copper-gold-cobalt deposit. Until recently the Rover Project was subject to the Rover Farm-in and Joint Venture Agreement with Emmerson Resources Limited, however on 4 October 2017 Emmerson withdrew prematurely from the agreement having earned no equity.

The Company's strategy at Rover remains to progress the project with third party funding, with a listed exploration company currently reviewing the project data.

1.6.5 MOONTA COPPER GOLD PROJECT

The Moonta Copper Gold Project falls near the southern end of the world class Olympic Copper-Gold Province in South Australia, a belt that contains approximately 75% of Australia's known copper resources. Andromeda Metals' tenement secures the famous "Copper Triangle" mining district on the Yorke Peninsula.

The Company's exploration at Moonta has discovered a number of shallow copper-dominant deposits including Alford West, Willamulka, Paskeville and Wombat, while other significant prospects are also known from historical records.

Additional to conventional mining opportunities, the Company has identified two prospects where preliminary studies suggest potential exists to produce copper using in-situ recovery (ISR) methods. A substantial Exploration Target has been estimated that can underpin this opportunity.

Andromeda Metals is seeking to fund further work at Moonta through third party involvement, with one group reviewing the project under confidentiality agreement, and expressions of interest to review the project received from others.

1.6.6 USE OF FUNDS

The proceeds received from the Offer will be principally directed to funding the following:

- Completing further exploration on the Company's wholly owned Drummond Epithermal Gold Project in Queensland, including the first ever drill testing of identified gold prospects, which includes the large gold-bearing epithermal vein system at the Bunyip prospect;
- Subject to a decision to acquire the Mylo-Frontier Pilbara Gold Project following due diligence investigations that are now underway, progressing the tenements to grant and completion of initial exploration programs of prospecting and surface geochemistry;
- An initiative to identify, evaluate and acquire new projects to complement the Company's existing portfolio of exploration assets; and
- Meeting on-going fixed exploration and working capital costs and the costs associated with the Offer.

A more detailed breakdown of the application of funds is set out in section 2.2.

The Directors consider that the uncertainties noted by the auditor leading to the disclaimer of their opinion of the financial report for the year ending 30 June 2017, have been addressed by the proceeds from this Offer together with the recent placement announced on 27 October 2017 raising \$516,452 (net of costs).

1.7 Risk Factors

Investing in the Company involves risk. There are factors, both specific to the Company and of a general nature, which may affect the future operating and financial performance of the Company. Some of these factors can be mitigated by appropriate commercial action. However, many are outside the control of the Company, are dependent on the policies adopted and approaches taken by regulatory authorities, or cannot otherwise be mitigated. If you are unsure about subscribing for New Securities, you should first seek advice from your stockbroker, accountant, financial or other professional advisor.

Risk	Details
Exploration and production	Tenements in which the Company has an interest are at various stages of exploration. There can be no assurance that exploration of the project areas will result in the discovery of an economic reserve.
Access to land	The Company will experience delays and cost overruns in the event it is unable to access the land required for its operations. This may be as a result of weather, environmental restraints, native title, harvesting, landholder's activities or other factors.
Environmental	Mining and exploration activities are strictly regulated by environmental legislation and government authorities. There is a risk that environmental regulation may prevent or impede the Company's activities.
Native Title and Aboriginal Heritage	Native Title claims and Aboriginal heritage issues may have a material adverse impact on the Company's activities and may hinder or prevent its exploration and future mining activities or increase the cost of those activities.
Mineral resource and reserve estimates	Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Resource estimates are necessarily imprecise and depend to some extent on interpretations, which may prove to be inaccurate.
Metal prices	International factors including inflation, exchange rates, supply and demand impact on metal prices. If the price of metals seriously declines in the future, this will materially impact on the Company's ability to continue with its projects.
Competition	Other companies may have competitive advantages such as superior resources, new technology, new production processes, or access to key infrastructure. The Company may be unable to successfully compete against such other companies.
Future capital requirements	The available funds of the Company may not be sufficient to cover expenditure that may be required to execute its planned operations. There is no assurance that the Company will be able to obtain additional financing when required in the future.
Regulatory and legislative	Any changes in the laws and regulations under which the Company operates may adversely impact the Company.

The New Securities offered under this Prospectus carry no guarantee of profitability, dividends, return of capital or the price at which they may trade on the ASX. The past performance of the Company should not necessarily be considered a guide to its future performance.

Shareholders should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for the New Shares.

Further details regarding risks which may affect the Company in the future are contained in section 5.

1.8 Directors Intentions in respect of Entitlements

As at the date of this Prospectus, some of the Directors of the Company have both a direct or indirect interest in Shares. Set out below is a table summarising the Entitlement of each Director based on their current total holding.

Director	Current Shares	Entitlement
R G Grivas	Nil	Nil
C G Drown	10,754,356 ¹	3,383,428 ²
N J Harding	3,872,995 ¹	723,998 ²
A N Shearer	Nil	Nil

¹ includes shares held on behalf of the Directors by the trustee of the ADN Loan Funded Employee Share Plan

² excludes shares held on behalf of the Director by the trustee of the ADN Loan Funded Employee Share Plan

All Directors who are Eligible Shareholders intend to subscribe for their full entitlements under the Offer.

1.9 Shortfall and Dilution of Shareholder's Interests

The Offer is not underwritten.

Shareholders should be aware that to the extent that they do not accept their Entitlements in full, a Shortfall will arise and the Shortfall will be placed with sophisticated investors who are clients of PAC Partners, in which case their interest in the Company will be significantly diluted. Further the Offer is not being extended to Shareholders with registered addresses outside of Australia and New Zealand and the holdings of those Shareholders in the Company will be diluted by the Offer. Given the terms of the Offer, the interests of a Shareholder in the Company may be diluted by up to 58% in the event that they are not eligible to participate or elect not to accept their Entitlement in full.

Acceptance of Entitlements or the placement of any Shortfall may also result in existing Shareholders or new investors significantly increasing their interest in the Company or obtaining a substantial interest in the Company. However, the Shortfall will only be placed to the extent that such placement is in compliance with the takeover provisions of the Corporations Act, which restrict a person and their associates from having a relevant interest in the Company of not more than 20%, subject to a number of exemptions.

1.10 Potential Control Implications

Set out below is a summary of how the voting rights of the Company's largest shareholder might be impacted if it took up its Entitlement in full and assuming different rates of take up by other shareholders.

Current holding	14.91%
Assuming 0% take up by others	20.81%
Assuming 50% take up by others	17.37%
Assuming 100% take up by others	14.91%

2. Details of the Offer

2.1 Offer to Eligible Shareholders

This Prospectus invites Eligible Shareholders to participate in a pro-rata non-renounceable entitlement issue of up to 285,097,428 New Shares at an issue price of \$0.005 per New Share, on the basis of 1 New Share for every 2 Shares held on the Record Date of 14 November 2017 to raise up to approximately \$1.425 million before expenses. For every New Share subscribed, Shareholders will receive 1 free attaching New Option which has an exercise price of \$0.012 and an expiry date of 30 November 2020. Only those Shareholders shown on the share register at 6.30pm ACDT on the Record Date with a registered address in Australia and New Zealand will be entitled to participate in the Offer.

As at the date of this Prospectus, the Company has 570,194,856 Shares on issue in addition to 21,369,257 listed options and 799,681 unlisted options.

All the New Shares offered under this Prospectus will rank equally with the Shares on issue as at the date of this Prospectus. Please refer to section 4.1 of this Prospectus for further information regarding the rights and liabilities attaching to the New Shares. Please refer to section 4.2 of this Prospectus for further information regarding the rights and liabilities attaching to the New Options.

The Company has applied to the ASX for the New Securities to be granted Official quotation on the ASX, which is expected to occur on or about 7 December 2017. Participants (as defined in the ASX Settlement Operating Rules) cannot deal in the New Securities either as principal or agent until official quotation is granted.

2.2 Purpose of the Offer

This purpose of the Offer is to raise up to \$1.425 million.

It is anticipated that the funds raised from the Offer will be applied as follows:

Project	Proposed Work	Program Goal/Deliverable	Budget
Drummond Epithermal Gold Project	Program of 1,500 metres of reverse circulation drilling plus surface prospecting, rock chip sampling and FPXRF soil geochemistry	Goal is to complete first ever drill tests of the Bunyip prospect and one or more of the Roo Tail, Poppi's and East Central Limey prospects. Also surface prospecting and geochemistry to delineate new targets.	\$250,000
Mylo-Frontier Pilbara Gold Project	Complete due diligence and surface geochemistry and potentially geophysics, leading to drilling.	Goal is to complete assessment of ground, progress selected tenements to grant, complete early phase exploration to generate and then drill test worthy targets.	\$300,000
New Projects	Identification, assessment and acquisition of new projects.	Goal is to identify new projects to feed the exploration pipeline, and to increase value and quality of existing property portfolio.	\$400,000
Exploration Sub-Total			\$950,000
Working Capital			\$335,000
Cash costs of the Offer			\$140,000
TOTAL			\$1,425,000

The use of funds is based on the full subscription amount of \$1.425 million. While the Offer is not underwritten the Company has agreed with PAC Partners to place any shortfall as an exception to ASX Listing Rule 7.1 under Exception 3 of ASX Listing Rule 7.2.

The preceding table is a statement of current intentions as at the date of this Prospectus. It is anticipated that these funds will be applied over the next 12 months.

The proposed use of funds is subject to ongoing review and evaluation by the Company. As with any budget, the actual use of funds raised under the Offer may change depending on the outcome of the programs as they proceed. The Board reserves the right to alter the way in which funds are applied on this basis.

To the extent that funds raised pursuant to this Prospectus are insufficient to meet the Company's proposed use of funds as described, funds raised will be applied in the following order of priority:

- Expenses of the Offer
- Working capital and fixed exploration costs
- Exploration and evaluation costs

The Company does not seek to raise a minimum amount under the Offer.

2.3 Important Dates

Lodgement of Prospectus with ASIC	Thursday	9 November 2017
Announcement of Issue (and lodge Appendix 3B)	Thursday	9 November 2017
Notice to Option holders advising of Offer	Thursday	9 November 2017
Notice to Shareholders containing Appendix 3B information and timetable	Friday	10 November 2017
Shares commence trading on an ex rights basis	Monday	13 November 2017
Record Date of the Offer	Tuesday	14 November 2017
Lodgement of replacement Prospectus with ASIC	Wednesday	15 November 2017
Prospectus and Entitlement and Acceptance Form despatched to Shareholders	Friday	17 November 2017
Opening Date of the Offer	Friday	17 November 2017
Closing Date of the Offer	Thursday	30 November 2017
New Securities quoted on a deferred settlement basis	Friday	1 December 2017
Advise ASX of any Shortfall	Tuesday	5 December 2017
Issue Date of New Securities (deferred settlement trading ends)	Thursday	7 December 2017

2.4 Minimum Subscription

There is no minimum subscription in respect of the Offer.

2.5 No Trading of Entitlements

Entitlements to Shares pursuant to the Offer are non-renounceable and accordingly Eligible Shareholders may not dispose of or trade any part of their Entitlement.

2.6 Opening and Closing Dates

The Offer will open for receipt of acceptances at 9.00am ACDT on Friday 17 November 2017 and will close at 5.00pm ACDT on Thursday 30 November 2017, or such later date as the Directors, in their absolute discretion and subject to compliance with the Listing Rules, may determine and provided that the Company gives ASX notice of the change at least 3 Business Days prior to Closing Date.

2.7 Entitlements and Acceptance

Eligible Shareholders may accept their Entitlement either in whole or in part of their Entitlement. The number of New Securities to which you are entitled (Entitlement) is shown in the Entitlement and Acceptance Form which accompanies this Prospectus.

In determining Entitlements, any fractional entitlement will be rounded up to the nearest whole number.

You may participate in the Entitlement Offer as follows:

a) Take up your Entitlement in full

If you are an Eligible Shareholder and wish to take up all of your Entitlement, please:

- complete the Entitlement and Acceptance Form which accompanies this Prospectus in accordance with the instructions set out on the form; and
- forward the completed Entitlement and Acceptance Form, together with your cheque or bank draft for the amount shown on your Entitlement and Acceptance Form in the reply paid envelope to reach the Company's Share Registry, so that it is received by no later than 5.00pm ACDT on the Closing Date or such later date as the Directors determine.

b) Take up some of your Entitlement

If you are an Eligible Shareholder and wish to take up only some of your Entitlement, please:

- complete the Entitlement and Acceptance Form which accompanies this Prospectus by inserting the number of New Securities for which you wish to accept the Entitlement Offer under this Prospectus (being less than your Entitlement as specified on the Entitlement and Acceptance Form); and
- forward the completed Entitlement and Acceptance Form together with your cheque or bank draft for the total amount payable in the reply paid envelope to reach the Company's Share Registry, so that it is received by no later than 5.00pm ACDT on the Closing Date or such later date as the Directors determine.

c) Payment

Cheques and bank drafts, in Australian currency, should be made payable to “**Andromeda Metals Limited**” and crossed “not negotiable”. You should ensure that sufficient funds are held in the relevant account(s) to cover the Acceptance Monies. If the amount of your cheque for Acceptance Monies is insufficient to pay in full for the number of whole New Securities for which you have applied in your Entitlement and Acceptance Form, you will be taken to have applied for such lower number of New Securities which equates to your cleared Acceptance Monies (and to have that number of New Securities on your Entitlement and Acceptance Form). Alternatively, your Application will be rejected. If your cheque does not clear due to insufficient funds in your account, your Application will be rejected.

Payment will only be accepted in Australian currency and cheques, bank drafts, money orders and BPAY payments must be drawn on an Australian bank.

d) BPAY

If you intend to pay for the New Securities by BPAY, there is no need to return the Entitlement and Acceptance Form (but you must ensure that your payment is received by no later than 5.00pm ACDT on the Closing Date or such latter date as the Directors determine). If you elect to make payment using BPAY, you must contact your bank, credit union or building society to make payment of the Acceptance Monies from your cheque or savings account. Refer to the Entitlement and Acceptance Form for the Biller Code and Customer Reference Number. Eligible Shareholders who have multiple holdings will have multiple Customer Reference Numbers.

e) Do nothing

You may do nothing, in which case your Entitlement will lapse. However, if you are an Eligible Shareholder and you do nothing, then New Securities representing your Entitlement will be allocated to other third parties procured by the Lead Manager.

You should also note that, if you do not take up your Entitlement, then although you will continue to own the same number of Shares, your percentage shareholding in the Company will decrease.

f) General

If you have any queries concerning your Entitlement, please contact the Company on 08 8271 0600 (within Australia) or +61 8 8271 0600 (outside Australia) or contact your stockbroker or professional advisor.

Entitlement and Acceptance Forms accompanying cheques or bank draft may be lodged at any time before the Closing Date. Applications received after the Closing Date may not be accepted. Eligible Shareholders who intend to forward their Form by post should be aware of the lengthened delivery time for mail sent with Australia Post. The Company will not be responsible for postal or delivery delays.

The Offer Price of \$0.005 for each New Share is payable in full on acceptance of part or all of your Entitlement. No consideration is payable for the free attaching New Option.

Completed Entitlement and Acceptance Forms and accompanying cheques should be forwarded to the following address:

Computershare Investor Services Pty Ltd
GPO Box 2987
Adelaide, SA 5001

The amount payable on acceptance will not vary during the period of the Offer and no further amount is payable on allotment. Application Monies will be held in trust in a subscription account until allotment of the New Securities. The subscription account will be established and kept by the Company on behalf of the Applicants. Any interest earned on the Application Monies will be retained by the Company irrespective of whether allotment takes place. No stamp duty, brokerage or handling fees are payable by the Applicant for the New Securities offered by this Prospectus.

Eligible Shareholders should obtain independent advice on the taxation implications arising out of their participation in the Offer.

2.8 Shortfall

PAC Partners Pty Ltd has been appointed as lead manager to the Offer and will procure subscriptions for any shortfall on a "best endeavours" basis.

Any Entitlements not taken up by Eligible Shareholders will become available as Shortfall and will be placed by the Lead Manager to professional and sophisticated investors.

The Lead Manager has advised the Company that it has received firm commitments for the entire amount of the Offer.

The Lead Manager is a Corporate Authorised Representative of PAC Asset Management Pty Ltd holder of AFSL No. 335 374.

2.9 Allotment of Shares and Options

The New Securities and Additional Shares and Options are expected to be allotted by no later than 7 December 2017. Until the issue and allotment of the New Securities under this Prospectus has occurred, the Application Monies will be held in trust in a separate bank account opened and maintained for that purpose only. Any interest earned on the Application Monies will be for the benefit of the Company and will be retained by it irrespective of whether allotment of the New Securities takes place.

2.10 Application for Official Quotation

On the same date as announcing the Offer, the Company applied to the ASX for the New Securities to be issued pursuant to this Prospectus to be listed for Official Quotation by the ASX. If granted, quotation of the New Securities will commence as soon as practicable after the allotment of the New Securities to Applicants.

If the ASX does not grant Official Quotation of the New Securities offered pursuant to this Prospectus within three months after the date of this Prospectus (or such period as varied by ASIC), the Company will not allot any New Securities and will repay all Application Monies for the New Securities within the time period prescribed under the Corporations Act, without interest.

A decision by the ASX to grant Official Quotation of the New Securities is not to be taken in any way as an indication of ASX's view as to the merits of the Company, or of the New Securities now offered for subscription.

2.11 Overseas Shareholders

The Company has not made investigations as to the regulatory requirements that may prevail in the countries outside of Australia and New Zealand in which the Company's Shareholders reside.

The distribution of this Prospectus in places outside of Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe those restrictions. Any failure to comply with those restrictions may violate applicable securities laws.

The Company has decided that it is unreasonable to make offers under this Prospectus to Shareholders with registered addresses outside Australia and New Zealand having regard to the number of Shareholders in those places, the number and value of the New Securities they would be offered and the legal and regulatory requirements in those places and costs of complying with those requirements. Based on the Share Register of the Company as at 31 October 2017, the number of New Securities that Shareholders with registered addresses outside Australia and New Zealand would be entitled to subscribe for if they were Eligible Shareholders would be approximately 337,941 New Securities (representing less than 0.12% of the Offer).

Accordingly, the Offer is not being extended to, and does not qualify for distribution or sale, and no New Securities will be issued, to Shareholders having a registered address outside Australia and New Zealand (Excluded Shareholders).

The Offer contained in this Prospectus to Eligible Shareholders with registered addresses in New Zealand is made in reliance of the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

All rights that would have been offered to Excluded Shareholders will be allowed to lapse and will form part of the Shortfall.

3. Effect of the Offer on the Company

3.1 Effect on Financial Position

It is noted that the auditor for the Company's financial report for the financial year ending 30 June 2017 disclaimed its opinion on that financial report. The basis for the disclaimer of opinion was the existence of material uncertainties that cast doubt about the Company's ability to continue as a going concern and whether it would realise its assets and discharge its liabilities in the normal course of business. These uncertainties included that the Directors' going concern opinion was predicated on the raising of at least \$400,000 by 31 October 2017 and a further \$1,600,000 to meet an active exploration program and working capital requirements through to 30 September 2018.

With the recent placement announced on 27 October 2017 raising \$516,452 (net of costs) and the proceeds from this Offer, the Directors consider that the uncertainties noted by the auditor have been addressed.

To illustrate the effect of the issue on the Company, a pro-forma statement of financial position has been prepared based on the audited statement of financial position as at 30 June 2017.

The pro-forma statement of financial position shows the effect of both the share placement undertaken by the Company on 27 October 2017 and the Offer under this Prospectus as if both had been made on 30 June 2017 and assumes that the Offer is fully subscribed.

The accounting policies adopted in preparation of the pro-forma statement of financial position are consistent with the policies adopted and as described in the Company's financial statements for the year ended 30 June 2017.

The significant effects of the Offer will be:

- to increase cash reserves by approximately \$1.285 million (after cash expenses of the Offer which are estimated to be \$140,000) assuming a \$0.005 per share subscription price;
- to increase the number of issued ordinary shares by 285,097,428 to 862,027,657 shares on issue (assuming the issue of Director Shares following approval by Shareholders of Resolutions 14 and 15 at the 2017 AGM on 30 November 2017);
- the issue of 285,097,428 options to subscribe for ordinary shares in the Company at \$0.012 per share on or before 30 November 2020.

The pro-forma statement of financial position has not been subject to an audit or review.

PROFORMA STATEMENT OF FINANCIAL POSITION

	Audited 30/06/17 \$	Net Placement Proceeds \$	Net Rights Issue Proceeds \$	Pro-forma 30/06/17 \$
CURRENT ASSETS				
Cash and cash equivalents	268,336	516,452	1,285,487	2,070,275
Trade and other receivables	36,912	-	-	36,912
TOTAL CURRENT ASSETS	305,248	516,452	1,285,487	2,107,187
NON-CURRENT ASSETS				
Exploration and evaluation expenditure	4,358,222	-	-	4,358,222
Plant and equipment	4,260	-	-	4,260
Other financial assets	123,547	-	-	123,547
TOTAL NON-CURRENT ASSETS	4,486,029	-	-	4,486,029
TOTAL ASSETS	4,791,277	516,452	1,285,487	6,593,216
CURRENT LIABILITIES				
Trade and other payables	195,705	-	-	195,705
Other liabilities	66,313	-	-	66,313
TOTAL CURRENT LIABILITIES	262,018	-	-	262,018
NON-CURRENT LIABILITIES				
Provisions	9,214	-	-	9,214
Other liabilities	888,152	-	-	888,152
TOTAL NON-CURRENT LIABILITIES	897,366	-	-	897,366
TOTAL LIABILITIES	1,159,384	-	-	1,159,384
NET ASSETS	3,631,893	516,452	1,285,487	5,433,832
EQUITY				
Issued capital	38,055,344	516,452	1,285,487	39,857,283
Reserves	36,433	-	-	36,433
Accumulated losses	(34,459,884)	-	-	(34,459,884)
TOTAL EQUITY	3,631,893	516,452	1,285,487	5,433,832

3.2 Capital Structure and Potential Dilution

The share capital structure of Andromeda Metals Limited immediately following the Offer, on the basis that the Offer is fully subscribed (excluding rounding of Entitlements), will be as follows:

Shares	Number	%
Ordinary Shares on issue at the date of this Prospectus	570,194,856	66.1
Director Shares ¹	6,735,373	0.8
Maximum number of New Shares under this Prospectus	285,097,428	33.1
Total	862,027,657	100.0
Options	Number	%
Options on issue at the date of this Prospectus	22,168,938	4.3
Options to participants of placement ²	113,290,300	22.2
Maximum number of Broker options ³	67,974,180	13.3
Maximum number of Director options ⁴	21,241,932	4.2
Maximum number of New Options under this Prospectus	285,097,428	56.0
Total	509,772,778	100.0
Fully Diluted	Number	%
Ordinary Shares on issue at the date of this Prospectus	570,194,856	41.5
Director Shares ¹	6,735,373	0.5
Maximum number of New Shares under this Prospectus and all options including New Options are exercised	794,870,206	58.0
Total	1,371,800,435	100.0

¹ Assuming the issue of ordinary shares is approved by Shareholders under Resolutions 14 and 15 at the 2017 Annual General Meeting on 30 November 2017

² Assuming the issue of options is approved by Shareholders under Resolution 6 at the 2017 Annual General Meeting on 30 November 2017

³ Assuming the issue of options is approved by Shareholders under Resolution 7 at the 2017 Annual General Meeting on 30 November 2017

⁴ Assuming the issue of options is approved by Shareholders under Resolutions 10 and 11 at the 2017 Annual General Meeting on 30 November 2017

POTENTIAL DILUTION

If an Eligible Shareholder does not take up their Entitlement in full, this will result in their percentage holding in the Company being diluted by the Offer. The maximum possible dilution to an Eligible Shareholder's interest in the Company would be 58.0%.

4. Rights Attaching to New Shares and Terms and Conditions of Attaching Free Options

4.1 Rights and Liabilities attaching to New Shares

The rights attaching to ownership of the New Shares are set out in the Company's Constitution, a copy of which is available for inspection at the registered office of the Company during business hours.

The following is a summary of the principal rights of holders of the New Shares, subject to any special rights attaching to any class of share at a future time. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of the Company's Shareholders.

4.1.1 VOTING

At a general meeting of the Company on a show of hands, every member present in person, or by proxy, attorney or representative has one vote and upon a poll, every member present in person, or by proxy, attorney or representative has one vote for every Andromeda Metals Share held by them.

4.1.2 DIVIDENDS

The New Shares will rank equally with all other issued Shares in the capital of the Company and will participate in dividends out of profits earned by the Company from time to time. Subject to the rights of holders of Shares with any special preferential or qualified rights attaching to them, the profits of the Company are divisible amongst the holders of Shares paid in proportion to the total Andromeda Metals Shares on issue. The Directors may from time to time pay to Shareholders such interim dividends as in their judgement the position of the Company justifies.

4.1.3 TRANSFER OF THE SHARES

Other than for a transfer regulated by ASX Settlement, a transfer of Shares may be affected by an instrument of transfer approved under the Corporations Act or by an instrument of transfer in any usual form or by another form approved by the Directors or recognised by the ASX Listing Rules.

4.1.4 REFUSAL TO REGISTER

The Board may refuse to register any transfer of Shares which would result in contravention or failure to observe any State, Territory or Commonwealth law.

The Board may refuse to register any transfer of Shares upon which the Company has a lien.

The Directors are required to refuse to register a transfer of Restricted Securities or where the Listing Rules otherwise so require.

Otherwise, except as provided in the Constitution, the Directors shall not refuse to register or give effect to any transfer in registrable form.

4.1.5 WINDING UP

Upon accepting the Entitlement to New Shares and paying the Acceptance Monies, Shareholders will have no further liability to make payments to the Company in the event of the Company being wound up pursuant to the provisions of the Corporations Act.

4.1.6 FUTURE INCREASES IN CAPITAL

The allotment and issue of any New Shares is under the control of the Directors. Subject to the Listing Rules, the Company's Constitution and the Corporations Act, the Directors may allot or otherwise dispose of New Shares on such terms and conditions as they see fit.

4.1.7 VARIATION OF RIGHTS

At present, the Company has only ordinary Shares on issue. If the shares of another class are issued, the rights and privileges attaching to ordinary Shares could only be altered with the approval of a resolution passed at a separate general meeting of the holders of ordinary Shares by a three quarter majority of such holders or the written consent of the holders of at least three quarters of the ordinary Shares.

4.1.8 SALE OF NON-MARKETABLE HOLDINGS

The Company may take steps in respect of non-marketable holdings of Andromeda Metals Shares to effect an orderly sale of those Shares in the event that holders do not take steps to retain their holdings in accordance with the Constitution and the ASX Listing Rules.

4.1.9 GENERAL MEETING

Each holder of Shares will be entitled to receive notice of and to attend and vote at general meetings of the Company and to receive notices, accounts and other documents required to be furnished to Shareholders under the Company's Constitution, the Corporations Act and the Listing Rules.

For more particular details of the rights attaching to ordinary Shares in the Company, investors should refer to the Constitution of the Company.

4.2 Terms and Conditions of attaching free New Options

The attaching free New Options offered pursuant to this Prospectus will be issued on the following terms and conditions:

4.2.1 CONSIDERATION

The New Options are issued as part of the Offer on the basis of 1 New Option for every 1 New Share issued. No further consideration other than the payment of the Offer Price will be payable by Eligible Shareholders for the New Options.

4.2.2 TERMS OF EXERCISE OF NEW OPTIONS

The exercise price of each New Option is \$0.012 (**New Option Exercise Price**).

The New Options will expire on 30 November 2020 (**New Option Expiry Date**).

Subject to and conditional upon any adjustment in accordance with the conditions set out below, each New Option entitles the holder to subscribe for one fully paid Share upon payment of the Exercise Price prior to the Expiry Date.

The New Options may be exercised at any time wholly or in part by delivering a duly completed form of notice of exercise together with a cheque for the Exercise Price per New Option to the Company at any time on or after the date of issue and allotment of the New Options, and on or before the Expiry Date.

On the valid exercise of the New Options and payment of the Exercise Price, the Company will issue Shares ranking pari passu with the then issued Shares.

4.2.3 TRANSFERABILITY

The New Options are transferable.

4.2.4 RIGHTS TO PARTICIPATE

Holders of New Options do not have any right to participate in new issues of securities in the Company made to Shareholders generally. The Company will, where required pursuant to the Listing Rules, provide holders of New Options with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the New Options, in accordance with the requirements of the Listing Rules.

Holders of New Options do not participate in any dividends unless the New Options have been exercised and the resultant Shares are issued prior to the record date to determine entitlements to the dividend.

4.2.5 RECONSTRUCTIONS

In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:

- the number of New Options, the Exercise Price, or both will be reconstructed (as appropriate) in a manner consistent with the Listing Rules as applicable at the time of reconstruction, but with the intention that such reconstruction will not result in any benefits being conferred on the holders of New Options which are not conferred on shareholders; and
- subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of Shareholders approving a reconstruction of capital, in all other respects the terms for the exercise of the New Options will remain unchanged.

4.2.6 BONUS ISSUES

If there is a bonus issue to the holders of Shares in the Company, the number of Shares over which the New Options is exercisable may be increased by the number of Shares which the holder of the New Options would have received if the New Options had been exercised before the record date for the bonus issue.

The terms of the New Options may only be changed if holders (whose votes are not to be disregarded) of Shares in the Company approve of such a change. However, the terms of the New Options must not be changed to reduce the Exercise Price, increase the number of New Options or change any period for exercise of the New Options.

4.2.7 PRO RATA ISSUES

If the Company makes a rights issue (other than a bonus issue), the Exercise Price of the New Options will be reduced according to the following formula:

$$A = \frac{O - E \times [P - (S + D)]}{(N + 1)}$$

Where:

A = the new exercise price of the New Option;

O = the old exercise price of the New Option;

E = the number of underlying securities into which one New Option is exercisable;

P = the average market price per security (weighted by reference to volume) of the underlying securities during the five trading days ending on the day before the ex right date or the ex entitlements date;

S = the subscription price for a security under the pro rata issue;

D = the dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue);

N = the number of securities with rights or entitlements that must be held to receive a right to one new security.

4.3 Quotation

The Company will make an application to the ASX for quotation of the New Shares and the New Options.

5. Risk Factors

5.1 Introduction

An overview of the key risks that may have a material adverse impact upon the future performance of the Company and the value of the Shares are described in this Prospectus and include those risks set out in this Section. The Company gives no assurances or guarantees of future performance or profitability, or payment of dividends.

The list of risk factors in this section should not to be taken as exhaustive of the risks faced by the Company or by investors in Andromeda Metals. There may be other material risks which are not disclosed in this document because they were not known by the Company or were not considered to be material at the date of this Prospectus.

Some of the risks may be mitigated by the use of safeguards and appropriate systems and controls. However, many risks that may affect the Company are outside the control of the Andromeda Metals and its subsidiaries.

This section does not take into account the investment objectives, financial circumstances or particular needs of individual Shareholders. It is important that Shareholders carefully read this Prospectus in its entirety (particularly the risks set out in this section, consider their personal circumstances (including financial and taxation issues) and seek independent professional advice before deciding whether to subscribe for New Shares and the attaching free New Options.

Set out below are some of the key risks that have been identified as potentially affecting the performance and value of the Shares and the ability of the Company to potentially pay dividends in the future. The past performance of the Company is not necessarily representative of the future performance of Andromeda Metals or the value of the Company's Shares.

5.2 Risks specific to Andromeda Metals

5.2.1 EXPLORATION AND PRODUCTION

Tenements in which the Company has an interest are at various stages of exploration and potential investors should understand that mineral exploration is a high risk undertaking. There can be no assurance that exploration of the project areas described in this Prospectus, or any other permits that the Company may acquire an interest in, will result in the discovery of an economic mineral reserve. Even if an apparently viable reserve is identified, there is no guarantee that it can be commercially exploited.

Even if the Company recovers potentially commercial minerals, there is no guarantee that Andromeda Metals will be able to successfully transport the minerals to commercially viable markets or sell the minerals to customers to achieve a commercial return.

In addition, with respect to operations, the Company operates in some remote locations within Australia and challenging geographical conditions. Therefore some exploration and development costs may be higher in such jurisdictions due to a number of factors including limitations on the number of available suppliers of services required by Andromeda Metals, climatic and geographical conditions. The Company has an internal review process for all exploration and drilling programs. Andromeda Metals also has a transparent review and auditing process for all tenders received. However, no assurances can be given that the Company will be successful in mitigating all of these risks and there is a risk that exploration costs may escalate beyond budget anticipations.

5.2.2 ACCESS TO LAND

The Company will experience delays and cost overruns in the event it is unable to access the land required for its operations. This may be as a result of weather, environmental restraints, native title, harvesting, landholder's activities or other factors.

The Company's exploration activities are also dependent upon the grant, or as the case may be, the maintenance or renewal of appropriate licences, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitations. The maintenance, renewal and granting of tenements often depends on the Company being successful in obtaining required statutory approvals. There is no assurance that the Company will be granted all the mining tenements for which it has applied or that licences, concessions, leases, permits or consents will be renewed as and when required or that new conditions will not be imposed in connection therewith. To the extent such approvals, consents or renewals are not obtained, the Company may be curtailed or prohibited from continuing with its exploration activities or proceeding with any future exploration or development.

5.2.3 ENVIRONMENTAL

Mining and exploration activities are strictly regulated by environmental legislation and government authorities. There is a risk that environmental regulation may prevent or impede the Company's activities. It is possible that environmental approvals for Andromeda Metals' projects are not granted or are delayed. If this occurred it may materially affect the Company's ability to explore and develop its projects and therefore its investment outlook.

Significant liability could be imposed on the Company for damages, clean-up costs, or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of property acquired by Andromeda Metals, or non-compliance with environmental laws or regulations. The Company proposes to minimise these risks by conducting its activities in an environmentally responsible manner, in accordance with applicable laws and regulations and where possible, by carrying appropriate insurance coverage. There is also a risk that the environmental laws and regulations may become more onerous, making the Company's operations more expensive.

5.2.4 NATIVE TITLE AND ABORIGINAL HERITAGE

Andromeda Metals' mineral tenements and other entitlements to property and minerals may be affected by native title claims, unregistered agreements, transfers or unknown defects in title. Native title claims and Aboriginal heritage issues may have a material adverse impact on the Company's activities and may hinder or prevent its exploration and future mining activities or increase the cost of those activities.

5.2.5 MINERAL RESOURCE AND RESERVE ESTIMATES

Andromeda Metals currently has a Resource (calculated under JORC 2012 guidelines) relating to the Wudinna Gold Camp within the Company's 100% owned Eyre Peninsula Gold Project. It should be recognised that any published resource is an estimate only and is based upon expressions of judgment relating to knowledge, experience and industry practice. Estimates that were valid when made may change significantly when new information becomes available.

In addition, resource estimates are necessarily imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Should the Company encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, resource estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect the Company's operations.

5.2.6 METAL PRICES

International factors such as inflation, exchange rates, supply and demand and political and economic events, amongst other things, impact on metal prices, particularly in the current global economic market. As the Company is currently not in production, future revenue that may come from the sale of any mineral products and the Company's future profits are related to and influenced by the market price of the commodity.

If the price of metals seriously declines in the future, this will materially impact on the Company's ability to continue with its projects and the Company may be forced to discontinue some or all of its operations.

The Company gives no assurance that the fluctuations in the commodity prices will not affect timing and viability of the projects.

5.2.7 COMPETITION

Upon commencement of production, the Company would be subject to competition from other mineral producers. Competitors include current miners and future entrants into the market. Other companies may have competitive advantages such as superior resources, new technology, new production processes, or access to key infrastructure. The Company may be unable to successfully compete and may suffer material adverse consequences such as loss of market share and customers.

5.2.8 FUTURE CAPITAL REQUIREMENTS

The available funds of the Company may not be sufficient to cover expenditure that may be required to execute the projects or planned operations of the Company or to expand its operations or projects or for other capital expenditure, further exploration or feasibility studies or otherwise in the Company's operations. The Company may need to raise additional equity or debt funds in the future to finance these activities and requirements.

There is no assurance that the Company will be able to obtain additional financing when required in the future, or that the terms and time frames associated with such funding will be acceptable to Andromeda Metals, particularly having regard to the current uncertain economic environment and the effect that metal prices may have on future production and earnings performance. This may have an adverse effect on the Company's ability to achieve its strategic goals and have a negative effect on its financial results.

5.3 General Risks

5.3.1 IMPAIRMENT OF ASSETS

Exploration and evaluation assets are assessed for impairment when facts and circumstances (as defined in AASB 6 "Exploration for and Evaluation of Mineral Resources") suggest that the carrying amount of exploration and evaluation assets may exceed its recoverable amount. The recoverable amount of the exploration and evaluation assets (or the cash-generating unit(s) to which it has been allocated, being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years. Where a decision is made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment, reclassified to development properties, and then amortised over the life of the reserves associated with the area of interest once mining operations have commenced.

5.3.2 COUNTERPARTY RISK

There is a risk, which is higher in the current uncertain economic environment, that contracts and other arrangements which the Company is party to and obtains a benefit from, will not be performed by the relevant counterparties if those counterparties become insolvent or are otherwise unable to perform their obligations. The Company and its projects may suffer material adverse consequences such as increased costs, delayed projects, loss of market share, or loss of customers.

5.3.3 INSURANCE

Andromeda Metals has various insurances covering its business. However, certain risks are not covered by insurance due to limitations or exclusions in insurance policies or because the Company has decided not to insure against certain risks because of high premiums or for other reasons. Mining accidents, cave-ins, business interruption, compensation claims, environmental effects, fires, floods earthquakes and various other events may not be adequately covered by insurance. Uninsured events or limited insurance coverage could significantly increase the costs of the Company if such uninsured events were to occur.

5.3.4 LITIGATION

The Company may be subject to litigation and other claims. This could result in negative publicity and/or additional expenditure.

5.3.5 KEY PERSONNEL

Andromeda Metals' success depends to a significant extent upon its key management personnel, as well as other management and technical personnel including sub-contractors. Although the Company enters into employment and incentive arrangements with its personnel to secure their services, it cannot guarantee the retention of their services.

There can be no assurance given that there will be no detrimental impact on the Company if one or more of these people cease their engagement. The Company's inability to recruit additional appropriately skilled and qualified personnel to replace these key personnel could have an adverse effect on the Company. There can be no guarantee that personnel with the appropriate skills will be available within the Company's required timeframes.

5.3.6 HEALTH AND SAFETY

The businesses of the Company are subject to strict health and safety laws and regulations. The Company may become liable for past and current conduct which violates such laws and regulations. Penalties for breaching health and safety laws can be significant and include criminal penalties.

Victims of workplace accidents may also commence civil proceedings against the Company. These events might not be insured by the Company or may be uninsurable. In addition, any changes in health and safety laws and regulations may increase compliance costs for the Company. Such an event would negatively impact the financial results of the Company.

5.3.7 REGULATORY AND LEGISLATIVE

Any changes in the laws and regulations under which the Company operates may adversely impact the Company's activities, planned projects and financial results. These laws and regulations include mining and exploration-related laws, laws requiring permits and licences, environmental regulations and health and safety laws and regulations. In Andromeda's experience changes in legislation have generally produced more regulatory requirements resulting in increased compliance costs for the Company.

5.3.8 PAST TRANSACTIONS

Previous transactions undertaken by the Company which involved the acquisition or disposal of assets may continue to bear risks associated with the possibility of warranty or other claims in connection with such transactions to which it was a party.

5.4 Risks associated with the Offer

5.4.1 DILUTION

The Offer will result in the issue of New Shares with attaching free New Options. If you do not participate in the Offer or you do not take up your full Entitlement, your percentage holding in the Company (held at the Record Date) may be reduced, by both the take up of New Shares by other Shareholders and investors, and upon the exercise of the attached free New Options. The extent of dilution will depend upon the extent to which the Offer is taken up and the New Options exercised, resulting in an increase in the Company's issued share capital.

5.4.2 SHARE PRICE

Post this Offer, there is no certainty that the Company will achieve an improvement of its share price. Due to the occurrence of adverse changes in the business or unforeseen circumstances, or general market conditions, the Company's Shares may depreciate in value and Shareholder wealth may decline.

5.5 Speculative nature of investment

Shareholders should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for the New Shares.

Whether or not future income will result from projects undergoing exploration, programs are dependent on the successful results of that exploration and on the subsequent establishment of development and production operations or sale of the projects. Factors including costs, equipment availability, and mineral prices affect successful project development as does the design and construction of efficient exploration facilities, competent operation and management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced consultants. In particular, changes in global economic conditions (including changes in interest rates, inflation, foreign exchange rates and labour costs) as well as general trends in the Australian and overseas equity markets may affect the Company's operations and particularly the trading price of the Shares on the ASX.

6. Additional Information

6.1 Continuous Disclosure Obligations

The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) and is subject to the regime of continuous disclosure and periodic reporting requirements. Specifically as a listed company, the Company is subject to the Listing Rules which require continuous disclosure to the market of any information possessed by the Company which a reasonable person would expect to have a material effect on the price or value of its Shares.

The Board of Directors have adopted a policy of compliance with the Listing Rules which sets out the obligations of the Directors, officers and employees to ensure the Company satisfies the continuous disclosure obligations imposed by the Listing Rules and the Corporations Act. The policy provides information as to what a person should do when they become aware of information which could have a material effect on the Company's securities and the consequences of non-compliance.

6.2 Legal framework of this Prospectus

As a disclosing entity, the Company has issued this Prospectus in accordance with section 713 of the Corporations Act applicable to prospectuses for an offer of securities which are quoted enhanced disclosure (ED) securities and the Securities are in a class of securities that were quoted ED securities at all times in the 3 months before the date of this Prospectus.

This Prospectus is a 'transaction specific prospectus'. In general terms, a transaction specific prospectus is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to the ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether to invest or not invest.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The ASX maintains files containing publicly disclosed information about all listed companies. The Company's file is available for inspection at the ASX and copies of documents lodged by, or in relation to, the Company with ASIC may be obtained from, or inspected at, any regional office of ASIC.

6.3 Information available to Shareholders

The Company will provide a copy of each of the following documents, free of charge, to any investor who so requests during the application period under this Prospectus:

- the annual audited financial report for the Company for the year ending 30 June 2017 and lodged with the ASX on 29 September 2017;
- any other financial statements or continuous disclosure notices given by the Company to the ASX in the period starting immediately after lodgement of the annual financial report of the Company for the period ended 30 June 2017 and ending on the date of lodgement of this Prospectus with ASIC.

Copies of ASX announcements made by the Company may be obtained on the ASX website or the Company's website at www.andromet.com.au

The highest and lowest recorded market sale prices of the Company's Shares quoted on the ASX during the period of 3 months to the date of the announcement of the Offer were \$0.017 and \$0.005 respectively.

The closing price of the Company's Shares on the ASX on 3 November 2017 was \$0.01. The issue price of \$0.005 represents a 50% discount to the 30-day volume weighted average price up to 3 November 2017.

The Company currently has on issue 23,612,610 Listed Options having an exercise price of \$0.012 and expiry date of 31 March 2018. In addition, there is on issue 56,328 Unlisted Options having an exercise price of \$0.015 and expiry date of 31 March 2019.

6.4 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

6.5 Taxation

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them by consulting their own professional tax advisors before investing in the New Shares and attaching free New Options.

Taxation consequences will depend on an individual's particular circumstances. Neither the Company nor any of its officers accept any liability or responsibility in respect of the taxation consequences connected with an investment in the New Shares and attaching free New Options referred to in this Prospectus.

6.6 Interests of Directors

a) Directors' Holdings

As at the date of this Prospectus, the Andromeda Metals Directors had the following relevant interests in the Securities of the Company. Interest includes those securities held directly and indirectly.

Director	Position	Number of Shares	Number of Restricted Shares under the Loan Funded Employee Share Plan
R G Grivas	Non-Executive Chairman	Nil	Nil
C G Drown	Managing Director	8,454,356	2,300,000*
N J Harding	Executive Director	2,572,995	1,300,000*
A N Shearer	Non-Executive Director	Nil	Nil

* vest on the achievement of a number of KPIs by 31 December 2017.

The table above does not take into account any New Shares the Directors may acquire under the Offer. It is the intention of all Directors who are Eligible Shareholders to participate fully in the Offer included under this Prospectus.

b) Remuneration of Directors

Details of remuneration provided to Directors and their associated entities for the current financial year and previous 2 financial years ended 30 June 2016 and 30 June 2017 are as follows:

Director	Financial Year End	Salary and Fees	Post Employment Superannuation	Shares issued in lieu of Director fees	Share based payments	Total
	\$	\$	\$	\$	\$	\$
R G Grivas ^{2,6}	2018 ¹	-	-	-	-	-
	2017	-	-	-	-	-
	2016	-	-	-	-	-
C G Drown	2018 ¹	70,520	-	-	-	70,520
	2017	184,363	-	-	9,124	193,487
	2016	244,225	-	-	3,040	247,265
N J Harding	2018 ¹	68,276	-	-	-	68,276
	2017	187,234	-	-	5,167	192,401
	2016	222,952	-	-	8,236	231,188
A N Shearer ^{3,7}	2018 ¹	-	-	-	-	-
	2017	-	-	-	-	-
	2016	-	-	-	-	-
C G Jackson ⁴	2018 ¹	19,067	1,811	-	-	20,878
	2017	57,200	5,434	-	-	62,634
	2016	57,200	5,434	-	-	62,634
J P Buckley ⁵	2018 ¹	11,640	1,106	-	-	12,746
	2017	34,920	3,317	-	-	38,237
	2016	34,920	3,317	-	-	38,237

1 The amounts shown for the financial year ending 30 June 2018 relate to remuneration provided to Directors and their associated entities as at the date of this Prospectus

2 R G Grivas appointed 27 October 2017

3 A N Shearer appointed 27 October 2017

4 C G Jackson resigned 27 October 2017

5 J P Buckley resigned 27 October 2017

6 R G Grivas will be issued with up to 12,745,159 Options if approved by Shareholders under Resolution 10 at the 2017 Annual General Meeting on 30 November 2017

7 A N Shearer will be issued with up to 8,496,773 Options if approved by Shareholders under Resolution 11 at the 2017 Annual General Meeting on 30 November 2017

The Company has a service agreement with an entity associated with C G Drown set at a daily rate of \$860 to perform the duties of Managing Director of the Company. The Company also has a service agreement with an entity associated with N J Harding set at a daily rate of \$765 to perform the duties of Executive Director and Company Secretary of the Company.

The Constitution of the Company provides that the Non-Executive Directors may collectively be paid as remuneration for their services a fixed sum not exceeding the aggregate maximum sum per annum from time to time determined by the Company in general meeting (which is currently \$350,000 per annum).

A Director may be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of their ordinary duties as a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

A N Shearer is an employee and has an interest with the Lead Manager, PAC Partners Pty Ltd.

c) Directors' Interests

Except as disclosed in this Prospectus, no current Director (whether individually or in consequence of a Director's association with any company or firm or in any material contract entered into by the Company) has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- i) the formation or promotion of the Company; or
- ii) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offer; or
- iii) the Offer.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, Shares, Options or otherwise) have been paid or agreed to be paid to any Director or to any company or firm with which a Director is associated to induce him to become, or to qualify as, a Director, or otherwise for services rendered by him or his company or firm with which the Director is associated in connection with the formation or promotion of the Company or the Offer.

The Company has paid insurance premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings while acting in the capacity of a Director.

d) Advisors' Interests

As at the date of this Prospectus, other than as set out below or elsewhere in this Prospectus:

- no person named in the Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus or as a promoter of the Company has, or during the last 2 years prior to the date of the Prospectus has had, an interest in:
 - a) the formation or promotion of the Company;
 - b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offer under this Prospectus; or
 - c) the Offer under this Prospectus; and
- no amounts, whether in cash or shares or otherwise, have been paid or agreed to be paid and no value or benefit has been given or agreed to be given to any person named in the Prospectus as performing a function in a professional advisory or other capacity for services rendered in connection with the formation or promotion of the Company or the Offer under this Prospectus.

Lead Manager

The Lead Manager has agreed to use best endeavours to procure firm subscriptions for the entire shortfall. The Company has paid or agreed to pay the Lead Manager fees of approximately \$84,960 (plus GST) and reimbursement of costs and expenses incurred by the Lead Manager plus 67,974,180 options of the same series as the New Options.

In addition, the Lead Manager received a fee of \$37,385.80 inclusive of GST for its role in arranging the recent placement concluded on 27 October 2017

6.7 Expenses of the Offer

The total expenses of the Rights Issue are estimated to be \$140,000 comprising legal and share registry costs, printing, ASX and ASIC fees, and other administrative expenses.

6.8 Subsequent Events

There has not arisen, at the date of this Prospectus, any item, transaction or event of a material or unusual nature not already disclosed in this Prospectus which is likely, in the opinion of the Directors of the Company to affect substantially:

- the operations of the Company;
- the results of those operations; or
- the state of affairs of the Company.

6.9 Privacy

By submitting an Entitlement and Acceptance Form for the New Securities you are providing to the Company personal information about yourself. If you do not provide complete and accurate personal information, your application may not be able to be processed.

The Company maintains the register of members of the Company through Computershare Investor Services Pty Limited (Computershare), an external service provider. The Company requires Computershare to comply with the National Privacy Principles when performing these services. The Company's register is required under the Corporations Act to contain personal information about you such as your name and address and number of Shares and Options held. In addition the Company collects personal information from members such as, but not limited to, contact details, bank accounts and membership details and tax file numbers.

This information is used to carry out registry functions such as payment of dividends, sending annual and half yearly reports, notices of meetings, newsletter and notifications to the Australian Tax Office. In addition, contact information will be used from time to time to inform members of new initiatives concerning the Company.

The Company understands how important it is to keep your personal information private. The Company will only disclose personal information we have about you:

- i) when you agree to the disclosure;
- ii) when used for the purposes for which it was collected;
- iii) when disclosure is required or authorised by law;
- iv) to other members in the Andromeda Metals group of companies;
- v) to your broker;
- vi) to external service providers who supply services in connection with the administration of the Company's register such as mailing houses and printers, Australia Post and financial institutions.

You have the right to access, update and correct your personal information held by the Company and Computershare, except in limited circumstances. If you wish to access, update or correct your personal information held by Computershare or by the Company, please contact our respective offices.

If you have any questions concerning how the Company handles your personal information please contact the Company.

6.10 Consents

Each of the parties referred to in this section:

- i) does not make, or purport to make, any statement in this Prospectus or on which a statement made in this Prospectus is based, other than as specified in this section; and
- ii) has had no involvement in the preparation of this Prospectus, (unless expressly stated to the contrary in this section); and
- iii) has not authorised or caused the issue of this Prospectus; and
- iv) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Computershare Investor Services Pty Limited has consented to being named in this Prospectus in its capacity as share registrar to the Company and has not withdrawn such consent prior to the lodgement of this Prospectus with ASIC.

PAC Partners Pty Ltd has given, and as at the time of lodgement of this Prospectus, has not withdrawn its consent to be named in the Prospectus as the Lead Manager, in the form and context in which it is named.

7. Directors' Authorisation

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC.

A handwritten signature in black ink, appearing to read 'C. Drown', with a large loop at the top and a horizontal stroke at the bottom.

Christopher Drown
Managing Director

Dated: 15 November 2017

8. Definitions and Glossary

Terms and abbreviations used in this Prospectus have the following meaning:

A\$ and \$ means Australian dollars, unless otherwise stated.

Acceptance means an acceptance of Entitlements.

ACDT means Australian Central Daylight Time.

Applicant means a person who submits an Entitlement and Acceptance Form.

Application means a valid application by an Eligible Shareholder to subscribe for New Shares and attaching free New Options.

Application Monies means the amount payable by the Applicant for the number of New Shares subscribed for by the Applicant under the Offer.

ASIC means the Australian Securities and Investments Commission.

ASX Settlement means ASX Settlement Pty Ltd (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of the settlement facility provided by ASX Settlement as amended from time to time.

ASX means ASX Limited (ABN 98 008 624 691) or the financial market operated by it, as the context requires.

Audited statement of financial position as at 30 June 2017 means the consolidated statement of financial position contained in the 30 June 2017 full year report audited by Deloitte Touche Tohmatsu dated 29 September 2017 and announced to ASX on the same date.

Auditors means Deloitte Touche Tohmatsu.

Board means the Board of Directors of Andromeda Metals Limited.

Business Day means a day other than a Saturday or Sunday on which banks are open for business in Adelaide, South Australia or as specified by ASX.

Closing Date means Thursday 30 November 2017 (unless extended).

Company means Andromeda Metals Limited (ABN 75 061 503 375).

Computershare means Computershare Investor Services Pty Ltd (ACN 078 279 277).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the Directors of the Company as at the date of this Prospectus.

Eligible Shareholder means a Shareholder whose details appear on the Register as at the Record Date and who is not an Excluded Shareholder.

Entitlement means the entitlement of an Eligible Shareholder to apply for Shares pursuant to the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Excluded Shareholder means a Shareholder who does not reside in Australia or New Zealand.

Group means the Company and each of its wholly owned subsidiaries.

JORC Code means the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves drawn up by the Joint Ore Reserves Committee (JORC) of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia. It is a professional code of practice that sets minimum standards for Public Reporting of minerals Exploration Results, Mineral Resources and Ore Reserves according to the levels of confidence in geological knowledge and technical and economic considerations.

Law means the Corporations Act or any relevant and applicable law in Australia.

Lead Manager means PAC Partners Pty Limited (ABN 13 165 738 438).

Listing Rules means the Listing Rules of ASX.

Mineral Resource has the meaning given to it in the JORC Code.

New Options means the Options offered under this Prospectus.

New Securities means the New Shares and New Options offered under this Prospectus.

New Shares means the Shares offered under this Prospectus.

Offer means the non-renounceable entitlement offer of New Securities pursuant to this Prospectus.

Offer Price means \$0.005 for each New Share applied for.

Official List means the Official List of the ASX.

Official Quotation means quotation on the Official List.

Opening Date means Friday 17 November 2017.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Prospectus means this prospectus dated 9 November 2017 as modified or varied by any supplementary prospectus made by the Company and lodged with ASIC from time to time and any electronic copy of this prospectus and supplementary prospectus.

Record Date means 6.30pm ACDT on Tuesday 14 November 2017.

Register means the register of the Company's Shareholders.

Securities has the same meaning as in Section 92 of the Corporations Act.

Share means an ordinary fully paid share in the capital of the Company.

Shareholder means the registered holder of a Share in the Company.

Share Registry means Computershare Investor Services Pty Ltd (ACN 078 279 277).

Shortfall means those New Shares and attaching free New Options for which valid applications have not been received by the Closing Date under the Offer.

Shortfall Offer means the offer of the Shortfall on the terms and conditions set out in section 1.10 of this Prospectus.



METALS

Registered and Principal Office

69 King William Road
Unley, South Australia 5061

PO Box 1210 UNLEY BC SA 5061

T: +61 8 8271 0600

F: +61 8 8271 0033

admin@andromet.com.au
andromet.com.au



For all enquiries:

Phone:
(within Australia) 08 8271 0600
(outside Australia) 61 8 8271 0600

Web:
www.investorcentre.com/contact


ADN

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Make your payment:

See overleaf for details of the Offer and how to make your payment

Non-Renounceable Rights Issue — Entitlement and Acceptance Form

 **Your payment must be received by 5:00pm (ACDT) Thursday 30 November 2017**

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

Step 1: Registration Name & Offer Details

Details of the shareholding and entitlements for this Offer are shown overleaf.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Make Your Payment

You can apply to accept either all or part of your Entitlement. Enter the number of New Shares you wish to apply for and the amount of payment for those New Shares.

By making your payment you confirm that you agree to all of the terms and conditions as detailed in the Non-Renounceable Rights Issue Replacement Prospectus dated 15 November 2017.

Choose one of the payment methods shown below.

BPAY®: See overleaf. Do not return the payment slip with BPAY payment.

By Mail: Complete the reverse side of the payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to "**Andromeda Metals Limited**" and cross "**Not Negotiable**". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

Turn over for details of the Offer →

STEP 1

Registration Name & Offer Details

Registration Name:

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Entitlement No: 12345678

Offer Details:

Existing shares entitled to participate as at
14 November 2017:

Entitlement to New Shares
on a 1 for 2 basis:

Amount payable on full acceptance
at \$0.005 per New Share:

STEP 2

Make Your Payment

B

PAY

Billers Code: 999999
Ref No: 1234 5678 9123 4567 89

Pay by Mail:

Make your cheque, bank draft or money order payable to "Andromeda Metals Limited" and cross "Not Negotiable".
Return your cheque with the below payment slip to:
Computershare Investor Services Pty Limited
GPO BOX 2987 Adelaide South Australia 5001 Australia

Lodgement of Acceptance

If you are applying for New Shares and your payment is being made by BPAY, you do not need to return the payment slip below. Your payment must be received by no later than 5:00pm (ACDT) Thursday 30 November 2017. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Neither Computershare Investor Services Pty Limited (CIS) nor Andromeda Metals Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.
If you are paying by cheque, bank draft or money order the payment slip below must be received by CIS by no later than 5:00pm (ACDT) Thursday 30 November 2017. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for shareholders in Australia. Other Eligible Shareholders will need to affix the appropriate postage. Return the payment slip below with cheque attached. Neither CIS nor Andromeda Metals Limited accepts any responsibility if you lodge the payment slip below at any other address or by any other means.

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuers administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.

Detach here

Andromeda Metals Limited Acceptance Payment Details

Entitlement taken up:

Amount enclosed at \$0.005 per New Share:

Payment must be received by 5:00pm (ACDT) Thursday 30 November 2017

Contact Details

Contact Name

Daytime Telephone

Cheque Details

Drawer

Cheque Number

BSB Number

Account Number

Amount of Cheque

Barcode

Entitlement No: 12345678

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000