

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

| |
|--------------------------|
| ANDROMEDA METALS LIMITED |
|--------------------------|

ABN

| |
|----------------|
| 75 061 503 375 |
|----------------|

Quarter ended ("current quarter")

| |
|------------------|
| 31 DECEMBER 2017 |
|------------------|

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (6 months) \$A'000 |
|-----------------------------------------------------------|----------------------------|---------------------------------------|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | 0 | 0 |
| 1.2 Payments for | | |
| (a) exploration & evaluation | (120) | (174) |
| (b) development | 0 | 0 |
| (c) production | 0 | 0 |
| (d) staff costs* | (143) | (187) |
| (e) administration and corporate costs | (128) | (219) |
| 1.3 Dividends received (see note 3) | 0 | 0 |
| 1.4 Interest received | 1 | 2 |
| 1.5 Interest and other costs of finance paid | 0 | 0 |
| 1.6 Income taxes paid | 0 | 0 |
| 1.8 Other – including refund of bonds | 2 | 28 |
| 1.9 Net cash from / (used in) operating activities | (388) | (550) |

* net salaries after recharge to exploration and inclusive of director fees paid

| | | |
|------------------------------------------------|-------|-------|
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire: | | |
| (a) property, plant and equipment | 0 | 0 |
| (b) tenements (see item 10) | (100) | (100) |
| (c) investments | 0 | 0 |
| (d) other non-current assets | 0 | 0 |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (6 months) \$A'000 |
|--------------------------------------|-----------------------------------------------------------------------|----------------------------|---------------------------------------|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) property, plant and equipment | 0 | 0 |
| | (b) tenements (see item 10) | 0 | 0 |
| | (c) investments | 0 | 0 |
| | (d) other non-current assets | 0 | 0 |
| 2.3 | Cash flows from loans to other entities | 0 | 0 |
| 2.4 | Dividends received (see note 3) | 0 | 0 |
| 2.5 | Other – settlement of Rover JV early withdrawal by Emmerson Resources | 145 | 145 |
| 2.6 | Net cash from / (used in) investing activities | 45 | 45 |

| | | | |
|-------------|-----------------------------------------------------------------------------|--------------|--------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of shares | 1,992 | 1,992 |
| 3.2 | Proceeds from issue of convertible notes | 0 | 0 |
| 3.3 | Proceeds from exercise of share options | 49 | 50 |
| 3.4 | Transaction costs related to issues of shares, convertible notes or options | (112) | (118) |
| 3.5 | Proceeds from borrowings | 0 | 0 |
| 3.6 | Repayment of borrowings | 0 | 0 |
| 3.7 | Transaction costs related to loans and borrowings | 0 | 0 |
| 3.8 | Dividends paid | 0 | 0 |
| 3.9 | Other (provide details if material) | 0 | 0 |
| 3.10 | Net cash from / (used in) financing activities | 1,929 | 1,924 |

| | | | |
|-----------|------------------------------------------------------------------------------|-------|-------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 101 | 268 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (388) | (550) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | 45 | 45 |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 1,929 | 1,924 |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (6 months) \$A'000 |
|--------------------------------------|---------------------------------------------------|----------------------------|---------------------------------------|
| 4.5 | Effect of movement in exchange rates on cash held | 0 | 0 |
| 4.6 | Cash and cash equivalents at end of period | 1,687 | 1,687 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-----------------------------|
| 5.1 | Bank balances | 1,687 | 101 |
| 5.2 | Call deposits | 0 | 0 |
| 5.3 | Bank overdrafts | 0 | 0 |
| 5.4 | Other (provide details) | 0 | 0 |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 1,687 | 101 |

6. Payments to directors of the entity and their associates

| | Current quarter \$A'000 |
|----------------------------------------------------------------------------------------------------------|----------------------------|
| 6.1 Aggregate amount of payments to these parties included in item 1.2 | 207 |
| 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3 | 0 |
| 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2 | |

The amount at 6.1 comprises executive director salaries and non-executive director fees paid to directors or related corporations of directors of the Company during the quarter, including payment of accrued fees during 2017 that were dependent upon the Company raising new funding.

7. Payments to related entities of the entity and their associates

| | Current quarter \$A'000 |
|----------------------------------------------------------------------------------------------------------|----------------------------|
| 7.1 Aggregate amount of payments to these parties included in item 1.2 | 0 |
| 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3 | 0 |
| 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2 | |


| 8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i> | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|----------------------------------------------------|
| 8.1 Loan facilities | 0 | 0 |
| 8.2 Credit standby arrangements | 0 | 0 |
| 8.3 Other (please specify) | 0 | 0 |
| 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well. | | |
| | | |

| 9. Estimated cash outflows for next quarter | \$A'000 |
|----------------------------------------------------|----------------|
| 9.1 Exploration and evaluation | 300 |
| 9.2 Development | 0 |
| 9.3 Production | 0 |
| 9.4 Staff costs | 60 |
| 9.5 Administration and corporate costs | 100 |
| 9.6 Other | 0 |
| 9.7 Total estimated cash outflows | 460 |

| 10. Changes in tenements (items 2.1(b) and 2.2(b) above) | Tenement reference and location | Nature of interest | Interest at beginning of quarter | Interest at end of quarter |
|--------------------------------------------------------------------------------------------|----------------------------------------|---------------------------|-----------------------------------------|-----------------------------------|
| 10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced | Nil | | | |
| 10.2 Interests in mining tenements and petroleum tenements acquired or increased | E46/1196 | Beneficial holder | 0% | 100% |
| | E08/2954 | Beneficial holder | 0% | 100% |
| | E08/2955 | Beneficial holder | 0% | 100% |

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: Date: 30 January 2018
(Director/Company secretary)

Nick Harding

Print name:

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

SCHEDULE OF TENEMENTS AS AT 31 DECEMBER 2017

| Project | Tenement | Tenement Name | Area km ² | Registered Holder or Applicant | Nature of Company's Interest % |
|-----------------------------------------|------------------------------|--------------------|----------------------|---------------------------------------------------|----------------------------------------------------------------------------|
| South Australia | | | | | |
| <i>Wudinna Gold Joint Venture</i> | EL 5381 | Pinkawillinie | 186 | Peninsula Resources Ltd ¹ | 100% |
| | ELA 2017/00077 (Application) | Corrobinnie | 1397 | Peninsula Resources Ltd | 100% |
| | EL 5615 | Wudinna Hill | 42 | Peninsula Resources Ltd | 100% |
| | EL 5953 | Minnipa | 184 | Peninsula Resources Ltd | 100% |
| | EL 6001 | Waddikee Rocks | 147 | Peninsula Resources Ltd | 100% |
| | EL 5350 | Acraman | 96 | Peninsula Resources Ltd | 100% |
| <i>Thurlga Joint Venture</i> | EL 5419 | Thurlga | 333 | Peninsula Resources Ltd, Gawler Resources Pty Ltd | ADN diluting to 20%, Gawler Resources Ltd increasing to 80% ³ . |
| <i>Moonta Copper Gold Project</i> | EL 5984 | Moonta-Wallaroo | 713 | Peninsula Resources Ltd | 100% |
| | EL 5984 | Moonta Porphyry JV | 106 | Peninsula Resources Ltd | 90% - option to acquire 100% from Minotaur Exploration Ltd |
| Northern Territory | | | | | |
| <i>Rover Copper Gold Project</i> | EL 27292 | Rover North | 39 | Adelaide Exploration Pty Ltd ² | 100% (Franco-Nevada Ltd retain 70% buyback right) |
| | EL 27372 | Rover | 248 | Adelaide Exploration Pty Ltd | |
| <i>Davenport Ranges Tugsten Project</i> | EL 31211 | Newlands Creek | 396 | Peninsula Resources Ltd | 100% |
| Queensland | | | | | |
| <i>Drummond Gold Project</i> | EPM 18090 | Glenroy | 196 | Adelaide Exploration Pty Ltd | 100% |
| | EPM 25660 | Gunthorpe | 74 | Adelaide Exploration Pty Ltd | 100% |
| | EPM 26154 | Sandalwood Creek | 109 | Adelaide Exploration Pty Ltd | 100% |
| | EPM 26155 | Mount Wyatt | 144 | Adelaide Exploration Pty Ltd | 100% |
| Western Australia | | | | | |
| <i>Coolgardie Au-Ni-Li Project</i> | E 15/1520 | Prince of Wales | 93 | Peninsula Resources Ltd | 100% |
| <i>Pilbara Gold Project</i> | E 46/1196 (Application) | East Rooneys | 54 | Frontier Exploration Pty Ltd ⁴ | 100% |
| | E 08/2954 (Application) | Wyloo | 124 | Mylo Gold Pty Ltd ⁵ | 100% |
| | E 08/2955 (Application) | Cheela Plains | 123 | Mylo Gold Pty Ltd | 100% |

¹ Peninsula Resources Ltd (incorporated 18 May 2007) is a wholly owned subsidiary of Andromeda Metals Ltd

² Adelaide Exploration Pty Ltd (incorporated 13 July 2001) is a wholly owned subsidiary of Andromeda Metals Ltd

³ Gawler Resources Pty Ltd is a wholly owned subsidiary of Investigator Resources Ltd.

⁴ Frontier Exploration Pty Ltd (acquired 21 December 2017) is a wholly owned subsidiary of Andromeda Metals Ltd.

⁵ Mylo Gold Pty Ltd (acquired 21 December 2017) is a wholly owned subsidiary of Andromeda Metals Ltd.