



Andromeda Metals Limited
ABN: 75 061 503 375

Corporate details:

ASX Code: ADN

Cash: \$1.687 million
(at 31 December 2017)

Issued Capital:
893,350,481 ordinary shares
21,369,257 ADNOA options
486,280,451 ADNOB options
799,681 unlisted options

Directors:

Rhod Grivas

Non-Executive Chairman

Chris Drown

Managing Director

Nick Harding

Executive Director and
Company Secretary

Andrew Shearer

Non-Executive Director

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ASX announcement

8 March 2018

Drilling program to test Bunyip gold prospect – Drummond Epithermal Gold Project, QLD

A program of up to 2,000 metres of Reverse Circulation drilling targeting the previously untested Bunyip epithermal gold prospect is underway. Drill samples will be assayed in a commercial laboratory in Townsville, with first results anticipated in late March or April 2018.

The Company's Drummond Epithermal Gold Project comprises four wholly owned, granted Exploration Permits for Minerals (EPM's) that secure a total area of 523km² in the Drummond Basin in north Queensland. The Bunyip prospect is located on EPM 25660.

The Drummond Basin hosts a number of gold deposits of epithermal style including Pajingo, Wirralie, Yandan, Mt Coolan and Twin Hills.

Surface exploration completed by Andromeda Metals has confirmed Bunyip to be a large epithermal style system geologically analogous to the Pajingo goldfield located 75 kilometres west. The Pajingo operation has produced over 3 million ounces of high grade gold, and Pajingo style deposits represent attractive exploration targets.

Numerous quartz veins, such as the large vein shown in the photo to the right, outcrop at Bunyip. Quartz veins form the main gold hosts in epithermal deposits, and sampling of the Bunyip veins confirms them to be auriferous, with rock chip samples assaying to a maximum of 19.65g/t gold.



Typical epithermal pathfinder metals, including arsenic, antimony, molybdenum and tungsten, occur at anomalous concentrations in soil and rock chip samples at Bunyip. The prospect also displays other typical epithermal elements such as sinter terrace deposits preserved at the epithermal event palaeosurface, and wall rock alteration styles typically associated with epithermal systems.

The observed prospect geology, the textures of the epithermal veins, and the geochemistry of the surface samples, are consistent with an interpretation whereby the main gold targets at Bunyip, including potential bonanza grade zones important in deposit economics, may remain preserved at depth below surface. The drilling program will therefore aim to test several of the main veins at various depths in an attempt to discover such high grade zones.

Field work preparatory to the drilling has included detailed surface mapping of the epithermal veins allowing drillhole design. The drill targets are all located on a significant topographic feature, informally named Mont Bunyip, requiring earthworks to establish access tracks and drill pads. The tracks and pads were constructed in the presence of an on-site Native Title Monitor to ensure no aboriginal heritage was impacted.



Right: Geologist and Chairman of Andromeda Metals Limited, Rhod Grivas on the summit of Mont Bunyip during a recent technical field review.

Managing Director

Competent Person Statement

The information in this report 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 report of the matters based on his information in the form and context in which it appears.

JORC 2012 Note

There are no new exploration results reported in this release and therefore no requirement for a JORC Code, 2012 Edition table 1. Previous Company exploration results noted in this release were reported in accordance with JORC 2012 requirements - see ADN's ASX releases dated 29 September 2015 and 13 October 2015.