

## ASX Announcement

30 May 2019



**Andromeda Metals Limited**  
ABN: 75 061 503 375

### Corporate details:

ASX Code: ADN

Cash: \$2.40 million  
(as at 31 March 2019)

Issued Capital:

1,355,499,211 ordinary shares  
704,588,163 ADNOB options  
20,000,000 unlisted options

### Directors:

#### Rhod Grivas

Non-Executive Chairman

#### James Marsh

Managing Director

#### Nick Harding

Executive Director and  
Company Secretary

#### Andrew Shearer

Non-Executive Director

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### Drilling at Carey's Well Extends Halloysite-Kaolin Mineralised Zone

- The aircore drilling program at Poochera is now complete with a total of **3,265 metres drilled, predominately at Carey's Well.**
- Initial observations of white kaolin in the drillholes suggests that the kaolinised mineralisation has extended beyond the current resource boundary by up to **300 metres to the north-east, 100 metres to the south and 200 metres to the east.**
- Closer spaced infill drilling within the current projected pits undertaken during this drill program will provide a better understanding of the lithology and mineralisation environment for mine design planning and future feasibility studies at Carey's Well.
- Three hydrogeological wells were also installed to satisfy the hydrology requirements of the Mining Lease application process.
- The drill program included testing of a number of nearby prospects in which historical drilling has reported grades of up to **85% halloysite.**
- Elemental assay results from Bureau Veritas are anticipated to be received in early June with halloysite results to be received from both CSIRO and the University of Newcastle during the following quarter.
- An updated JORC 2012 Mineral Resource will be calculated later in the year once assay results are received.

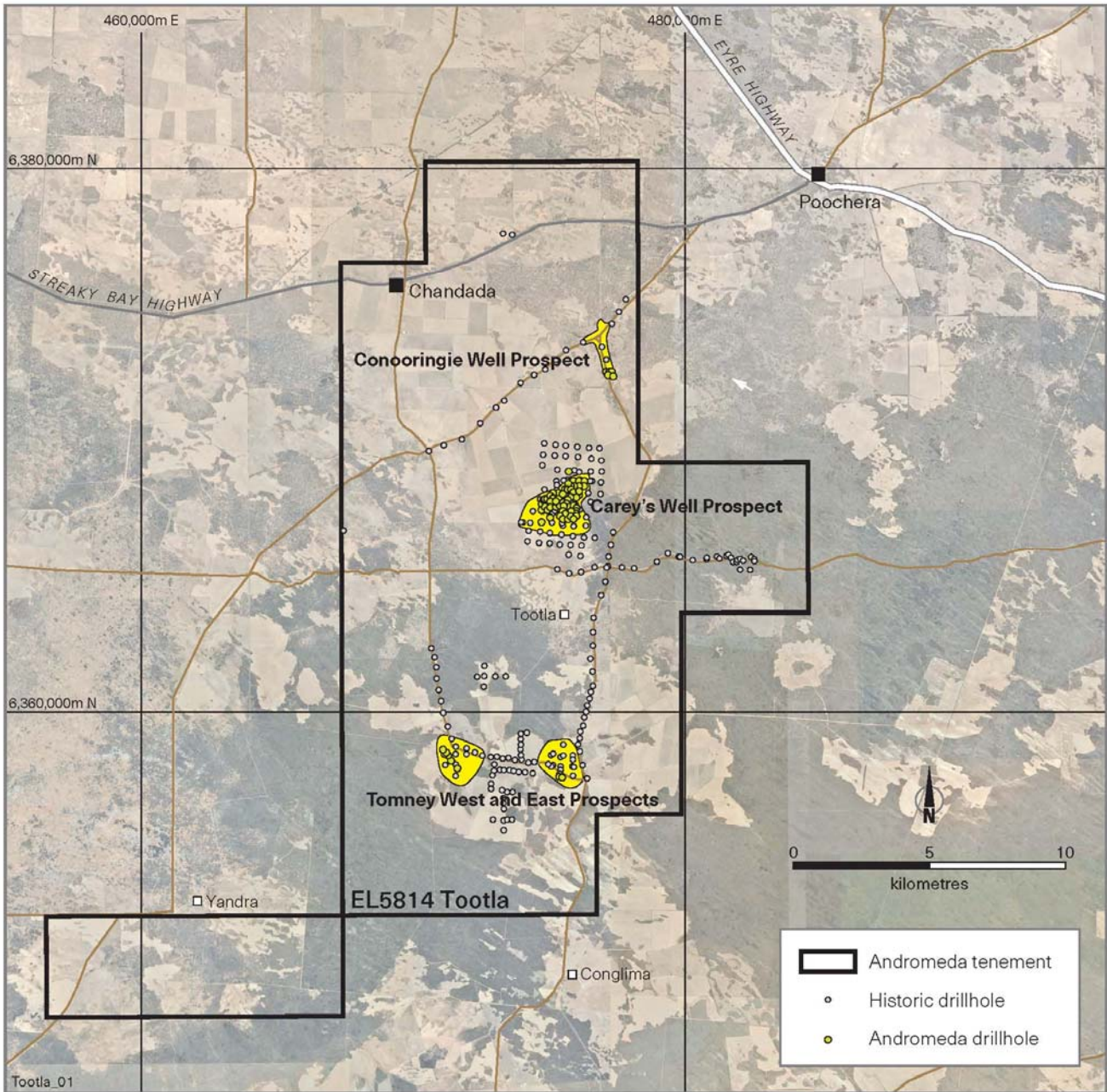
Andromeda Metals (ASX: ADN, 'Andromeda') is pleased to provide the following report of the recent aircore drilling program undertaken by the Company.

### Aircore Drilling Program

The aircore drilling program at the Poochera Halloysite-Kaolin Project, which commenced in mid-April, is now complete with the samples collected currently undergoing elemental analysis. The aircore drilling program was designed to target the shallow, kaolinised hiltaba suite granite located at the Carey's Well deposit in addition to some nearby prospects where previous historical drilling has reported grades of up to 85% halloysite.

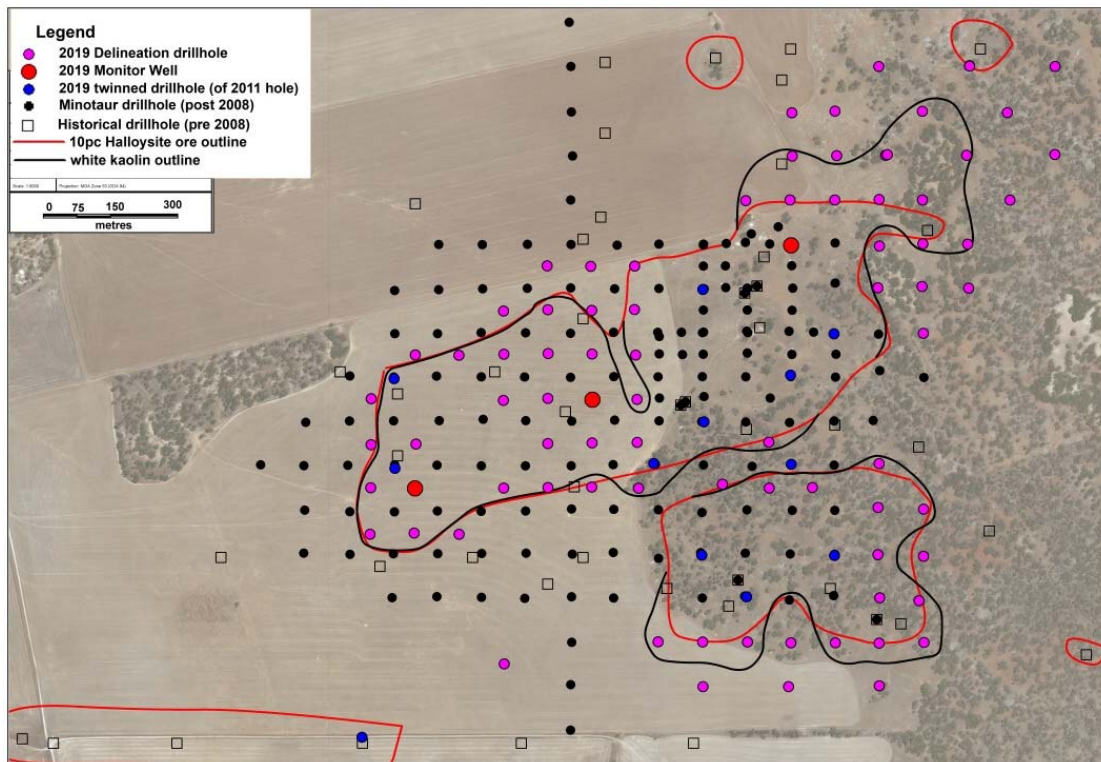
The final drilling program amounted to 109 holes for a total of 3,265 metres of which 95 holes (including 3 water monitoring wells) for 2,736 metres were drilled at Carey's Well. Another 5 holes totalling 234 metres were drilled at

nearby Condooringie Well (4 kms north of Carey's Well), and a further 3 holes for 152 metres at Tomney East and 6 holes for 143 metres at Tomney West prospects (both located approximately 10 kms to the south of Carey's Well).



**Figure 1: Halloysite-Kaolin prospects identified across EL 5814**

One of the primary goals of the drilling program was to define the resource boundaries of the Carey's Well deposit which was open to the north-east and south-east. Based on initial observations of white kaolin in drillholes conducted under this recent program, and subject to confirmation of assay results yet to be received, the kaolinised mineralisation would appear to have extended beyond the current boundary by up to 200-300 metres to the north-east, 100 metres to the south and 200 metres to the east before poor kaolin continuity was observed (refer black outline Figure 2).



**Figure 2: Carey's Well current Mineral Resource (red line) and indicative extension (black line)**

Closer spaced infill drilling within the current 100 metre spaced drill pattern at the Carey's Well Mineral Resource has been undertaken to gain a better understanding of the lithology and mineralisation environment to assist with mine design planning and scheduling as well as future feasibility study work.

In addition, three hydrogeological wells were installed at Carey's Well to collect hydrogeological data required for a future Feasibility Study and Mining Lease application, while sterilisation drilling was undertaken to identify an area that would be considered suitable for the location of a waste dump.

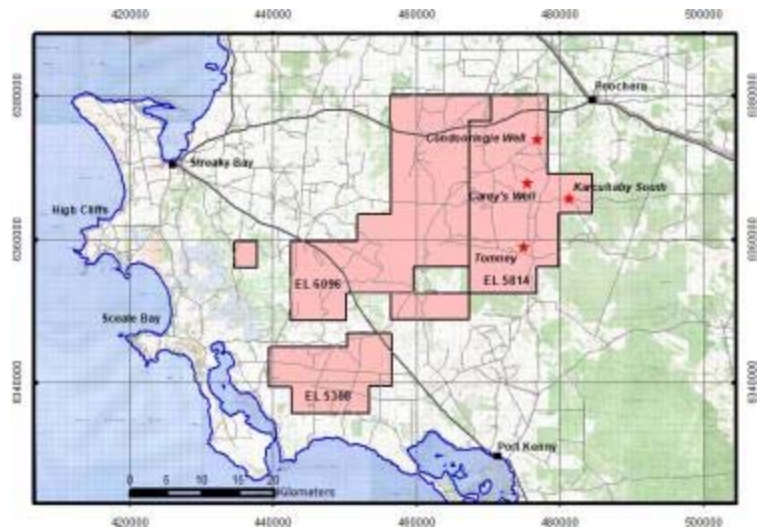
Halloysite assay results from the drilling will not be available until the next quarter due to the complex process of undertaking full laboratory analysis for halloysite and the large number of samples collected. Wet screening of samples is firstly performed to remove quartz and mica to produce a minus 45micron kaolin sample which is then dried. Samples are to then be submitted to the CSIRO and University of Newcastle for quantitative elemental and mineralogical testing using XRD process to determine the halloysite content within each sample. Later in the year when final halloysite results from the drill program have been received, a revised Mineral Resource will be completed.

### **The Poochera Project**

The Poochera Halloysite-Kaolin Project covers two main geographic areas of interest, both situated in the western province of South Australia (Figure 3). The current main area of focus for the Project is on the Eyre Peninsula which comprises three tenements and is located approximately 635kms west by road from Adelaide and 130kms east from Ceduna (Figure 4).



**Figure 3: Project location plan**



**Figure 4: Poochera Tenements**

In addition to the Carey's Well Mineral Resource, additional high quality halloysite-kaolin prospects occur extensively across the Poochera Project area making this a region of global significance for the mineral with the potential of supporting a considerable long-life mining operation should final feasibility studies determine the project to be economically viable. Halloysite is a rare derivative of kaolin where the mineral occurs as nanotubes. Halloysite has a wide variety of industrial uses beyond simple kaolin and commands a significant premium above the average kaolin price. The Carey's Well kaolin deposits contain a variable natural halloysite-kaolin blend that is in demand for the ceramic and petrochemical refining markets, as well as developments in new high-tech and nanotechnology applications.

The northern project area includes the near pure halloysite Camel Lake prospect on EL6128 (Figure 3) that could potentially be processed to provide a very high value pure product for the development of halloysite nanotubes technology in the areas of energy storage and carbon-hydrogen capture and storage.

Extensive test work has been completed on the Carey's Well deposit, including resource drilling, bulk sampling, pilot test trials and marketing, and Andromeda is working towards a Mining Lease application as part of feasibility evaluations.

Under the terms of the Poochera Halloysite-Kaolin Project Joint Venture, Andromeda can acquire up to 75% of the project by either sole funding \$6.0M over 5 years or alternatively a decision to mine is made by the Joint Venture partners, with an initial 51% interest earned by the Company through the expenditure of \$3.0M on advancing the project within the first 2 years.

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**Competent Person Statement**

*The information in this announcement that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Rhoderick Grivas, a Competent Person, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Grivas is Chairman of Andromeda Metals and 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 Grivas consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

**APPENDIX 1 – POOCHERA PROJECT 2019 DRILL COLLAR AND SAMPLE INFORMATION**

Hole ID	Easting (MGA94)	Northing (MGA94)	Collar RL (m)	Hole Inclination	Hole Azimuth	Final Depth (m)	Hole Diameter	Sample Start Depth	Sample Top RL	Sample End Depth	Sample Bottom RL	Sample Column Depth	Assays
<b>Carey's Well</b>													
CW19AC001	474748.1	6367750.4	133.0	-90	360	19.7	77mm	9	124.0	13	120.0	4	Awaiting assays
CW19AC002	474747.5	6367846.2	131.0	-90	360	17.3	77mm	14	117.0	15	116.0	1	Awaiting assays
CW19AC003	474747.0	6367549.1	129.1	-90	360	29	77mm	11	118.1	19	110.1	8	Awaiting assays
CW19AC004	474745.3	6367443.7	126.7	-90	360	30	77mm	11	115.7	22	104.7	11	Awaiting assays
CW19AC005	474799.9	6367795.8	132.5	-90	360	25	77mm	9	123.5	20	112.5	11	Awaiting assays
CW19AC006	474801.7	6367592.9	129.6	-90	360	27	77mm	13	116.6	26	103.6	13	Awaiting assays
CW19AC007	474847.9	6367849.5	131.4	-90	360	20	77mm	9	122.4	19	112.4	10	Awaiting assays
CW19AC008	474849.4	6367847.7	129.2	-90	360	26	77mm	10	119.2	21	108.2	11	Awaiting assays
CW19AC009	474847.2	6367549.5	128.6	-90	360	36	77mm	12	116.6	33	95.6	21	Awaiting assays
CW19AC010	474845.3	6367446.4	127.1	-90	360	32	77mm	14	113.1	29	98.1	15	Awaiting assays
CW19AC011	474946.8	6367848.9	128.2	-90	360	15.2	77mm	8	120.2	12	116.2	4	Awaiting assays
CW19AC012	474947.0	6367443.9	126.2	-90	360	21	77mm	Hole not sampled					
CW19AC013	475047.7	6367948.6	126.5	-90	360	26	77mm	17	109.5	21	105.5	4	Awaiting assays
CW19AC014	475048.4	6367851.0	125.6	-90	360	18	77mm	13	112.6	16	109.6	3	Awaiting assays
CW19AC015	475047.3	6367746.6	124.6	-90	360	31.5	77mm	11	113.6	22	102.6	11	Awaiting assays
CW19AC016	475048.2	6367548.3	123.9	-90	360	25.8	77mm	15	108.9	23	100.9	8	Awaiting assays
CW19AC017	475146.6	6368050.6	125.5	-90	360	17	77mm	10	115.5	14	111.5	4	Awaiting assays
CW19AC018	475147.8	6367951.8	124.6	-90	360	27	77mm	14	110.6	20	104.6	6	Awaiting assays
CW19AC019	475148.6	6367852.6	123.3	-90	360	32.5	77mm	16	107.3	24	99.3	8	Awaiting assays
CW19AC020	475148.0	6367750.9	122.2	-90	360	27.5	77mm	14	108.2	27.5	94.7	13.5	Awaiting assays
CW19AC021	475147.9	6367849.1	121.7	-90	360	18	77mm	11	110.7	18	103.7	7	Awaiting assays
CW19AC022	475148.4	6367549.4	121.4	-90	360	20.3	77mm	10	111.4	15	106.4	5	Awaiting assays
CW19AC023	475245.0	6368049.7	123.2	-90	360	15.1	77mm	12	111.2	14	109.2	2	Awaiting assays
CW19AC024	475247.4	6367950.1	122.3	-90	360	25	77mm	13	109.3	17	105.3	4	Awaiting assays
CW19AC025	475248.4	6367851.3	121.3	-90	360	30	77mm	16	105.3	28	93.3	12	Awaiting assays
CW19AC026*	475249.1	6367747.9	120.2	-90	360	33	87mm	13	107.2	30	90.2	17	Awaiting assays
CW19AC027	475248.2	6367850.5	119.7	-90	360	14.1	77mm	10	109.7	13	106.7	3	Awaiting assays
CW19AC028	475247.7	6367550.6	119.2	-90	360	14.1	77mm	7	112.2	13	106.2	6	Awaiting assays
CW19AC029	475344.8	6368050.6	120.9	-90	360	19.8	77mm	12	108.9	19	101.9	7	Awaiting assays
CW19AC030	475344.2	6367952.0	120.2	-90	360	23.4	77mm	12	108.2	23	97.2	11	Awaiting assays
CW19AC031	475347.0	6367849.1	119.4	-90	360	19	77mm	12	107.4	18	101.4	6	Awaiting assays
CW19AC032	475349.9	6367748.9	118.5	-90	360	24	77mm	19	99.5	22	96.5	3	Awaiting assays
CW19AC033	475350.4	6367851.6	117.7	-90	360	23	77mm	14	103.7	21	96.7	7	Awaiting assays
CW19AC034	475353.3	6367547.9	116.7	-90	360	24.1	77mm	16	100.7	24	92.7	8	Awaiting assays
CW19AC035	475387.9	6367604.0	116.6	-90	360	31.3	77mm	16	100.6	27	89.6	11	Awaiting assays
CW19AC036	475596.2	6368198.3	116.1	-90	360	25	77mm	11	105.1	24	92.1	13	Awaiting assays
CW19AC037	475696.8	6368199.7	116.1	-90	360	25.9	77mm	17	99.1	24	92.1	7	Awaiting assays
CW19AC038	475701.6	6368299.1	116.4	-90	360	25.1	77mm	17	99.4	24	92.4	7	Awaiting assays
CW19AC039	475049.2	6367150.7	122.1	-90	360	12	77mm	Hole not sampled					
CW19AC040	475498.8	6367200.2	116.5	-90	360	23	77mm	13	103.5	18	98.5	5	Awaiting assays
CW19AC041	475397.8	6367200.5	117.6	-90	360	21	77mm	15	102.6	20	97.6	5	Awaiting assays
CW19AC042	475600.1	6367200.2	116.0	-90	360	24.1	77mm	8	108.0	22	94.0	14	Awaiting assays
CW19AC043	475698.4	6367198.0	115.4	-90	360	30.5	77mm	13	102.4	16	99.4	3	Awaiting assays
CW19AC044	475799.3	6367198.3	114.0	-90	360	28.8	77mm	8	106.0	28	86.0	20	Awaiting assays
CW19AC045	475898.3	6367197.4	112.8	-90	360	24.2	77mm	10	102.8	18	94.8	8	Awaiting assays
CW19AC046	476000.2	6367198.9	112.3	-90	360	19.5	77mm	11	101.3	18	94.3	7	Awaiting assays
CW19AC047	475898.9	6367100.8	113.0	-90	360	16.5	77mm	7	106.0	10	103.0	3	Awaiting assays

Hole ID	Easting (MGA94)	Northing (MGA94)	Collar RL (m)	Hole Inclination	Hole Azimuth	Final Depth (m)	Hole Diameter	Sample Start Depth	Sample Top RL	Sample End Depth	Sample Bottom RL	Sample Column Depth	Assays
<b>Carey's Well</b>													
CW19AC001	474748.1	6367750.4	133.0	-90	360	19.7	77mm	9	124.0	13	120.0	4	Awaiting assays
CW19AC002	474747.5	6367646.2	131.0	-90	360	17.3	77mm	14	117.0	15	116.0	1	Awaiting assays
CW19AC003	474747.0	6367549.1	129.1	-90	360	29	77mm	11	118.1	19	110.1	8	Awaiting assays
CW19AC004	474745.3	6367443.7	126.7	-90	360	30	77mm	11	115.7	22	104.7	11	Awaiting assays
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CW19AC008	474849.4	6367647.7	129.2	-90	360	26	77mm	10	119.2	21	108.2	11	Awaiting assays
CW19AC009	474847.2	6367549.5	128.6	-90	360	36	77mm	12	116.6	33	95.6	21	Awaiting assays
CW19AC010	474845.3	6367446.4	127.1	-90	360	32	77mm	14	113.1	29	98.1	15	Awaiting assays
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CW19AC022	475148.4	6367549.4	121.4	-90	360	20.3	77mm	10	111.4	15	106.4	5	Awaiting assays
CW19AC023	475245.0	6368049.7	123.2	-90	360	15.1	77mm	12	111.2	14	109.2	2	Awaiting assays
CW19AC024	475247.4	6367950.1	122.3	-90	360	25	77mm	13	109.3	17	105.3	4	Awaiting assays
CW19AC025	475248.4	6367851.3	121.3	-90	360	30	77mm	16	105.3	28	93.3	12	Awaiting assays
CW19AC026*	475249.1	6367747.9	120.2	-90	360	33	87mm	13	107.2	30	90.2	17	Awaiting assays
CW19AC027	475248.2	6367650.5	119.7	-90	360	14.1	77mm	10	109.7	13	106.7	3	Awaiting assays
CW19AC028	475247.7	6367550.6	119.2	-90	360	14.1	77mm	7	112.2	13	106.2	6	Awaiting assays
CW19AC029	475344.8	6368050.6	120.9	-90	360	19.8	77mm	12	108.9	19	101.9	7	Awaiting assays
CW19AC030	475344.2	6367952.0	120.2	-90	360	23.4	77mm	12	108.2	23	97.2	11	Awaiting assays
CW19AC031	475347.0	6367849.1	119.4	-90	360	19	77mm	12	107.4	18	101.4	6	Awaiting assays
CW19AC032	475349.9	6367748.9	118.5	-90	360	24	77mm	19	99.5	22	96.5	3	Awaiting assays
CW19AC033	475350.4	6367651.6	117.7	-90	360	23	77mm	14	103.7	21	96.7	7	Awaiting assays
CW19AC034	475353.3	6367547.9	116.7	-90	360	24.1	77mm	16	100.7	24	92.7	8	Awaiting assays
CW19AC035	475387.9	6367604.0	116.6	-90	360	31.3	77mm	16	100.6	27	89.6	11	Awaiting assays
CW19AC036	475596.2	6368198.3	116.1	-90	360	25	77mm	11	105.1	24	92.1	13	Awaiting assays
CW19AC037	475696.8	6368199.7	116.1	-90	360	25.9	77mm	17	99.1	24	92.1	7	Awaiting assays
CW19AC038	475701.6	6368299.1	116.4	-90	360	25.1	77mm	17	99.4	24	92.4	7	Awaiting assays
CW19AC039	475049.2	6367150.7	122.1	-90	360	12	77mm	Hole not sampled					
CW19AC040	475498.8	6367200.2	116.5	-90	360	23	77mm	13	103.5	18	98.5	5	Awaiting assays
CW19AC041	475397.8	6367200.5	117.6	-90	360	21	77mm	15	102.6	20	97.6	5	Awaiting assays
CW19AC042	475600.1	6367200.2	116.0	-90	360	24.1	77mm	8	108.0	22	94.0	14	Awaiting assays
CW19AC043	475698.4	6367198.0	115.4	-90	360	30.5	77mm	13	102.4	16	99.4	3	Awaiting assays
CW19AC044	475799.3	6367198.3	114.0	-90	360	28.8	77mm	8	106.0	28	86.0	20	Awaiting assays
CW19AC045	475898.3	6367197.4	112.8	-90	360	24.2	77mm	10	102.8	18	94.8	8	Awaiting assays
CW19AC046	476000.2	6367198.9	112.3	-90	360	19.5	77mm	11	101.3	18	94.3	7	Awaiting assays
CW19AC047	475898.9	6367100.8	113.0	-90	360	16.5	77mm	7	106.0	10	103.0	3	Awaiting assays

Hole ID	Easting (MGA94)	Northing (MGA94)	Collar RL (m)	Hole Inclination	Hole Azimuth	Final Depth (m)	Hole Diameter	Sample Start Depth	Sample Top RL	Sample End Depth	Sample Bottom RL	Sample Column Depth	Assays	
<b>Condooringie Well</b>														
CD19AC01	477198.2	6372493.6	94.0	-90	360	48	77mm	18	76.0	41	53.0	23	Awaiting assays	
CD19AC02	477102.0	6372496.7	95.2	-90	360	48	77mm	19	76.2	47	48.2	28	Awaiting assays	
CD19AC03	477201.8	6372396.5	95.4	-90	360	51	77mm	15	80.4	48	47.4	33	Awaiting assays	
CD19AC04	477321.5	6372512.3	92.0	-90	360	42	77mm	18	74.0	33	59.0	15	Awaiting assays	
CD19AC05	477369.8	6372344.4	93.5	-90	360	45	77mm	9	84.5	40	53.5	31	Awaiting assays	
<b>Tomney East</b>														
TE19AC001	475388.3	6357600.2	91.0	-90	360	47	77mm	16	75.0	33	58.0	17	Awaiting assays	
TE19AC002	475495.5	6357598.7	90.7	-90	360	51	77mm	17	73.7	45	45.7	28	Awaiting assays	
TE19AC003	475396.9	6357697.5	90.9	-90	360	54	77mm	19	71.9	43	47.9	24	Awaiting assays	
<b>Tomney West</b>														
TW19AC001	471099.5	6358600.1	76.1	-90	360	37	77mm	10	66.1	28	48.1	18	Awaiting assays	
TW19AC002	471203.7	6358484.0	78.6	-90	360	13.5	77mm	Hole not sampled						
TW19AC003	471395.9	6358199.3	81.1	-90	360	24.4	77mm	7	74.1	23	58.1	16	Awaiting assays	
TW19AC004	471298.1	6358397.0	80.0	-90	360	8.5	77mm	Hole not sampled						
TW19AC005	471634.3	6357931.3	75.1	-90	360	54	77mm	17	58.1	44	31.1	27	Awaiting assays	
TW19AC006	471167.2	6358454.0	78.8	-90	360	5.2	77mm	Hole not sampled						

## JORC Code, 2012 Edition – Table 1 Poochera Kaolin Deposit

### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>Aircore drilling of vertical holes to industry standard completed by Andromeda Metals ("ADN") generating 1m chip samples. A total of 109 holes for 3,265m completed in April-May 2019. Drilling penetrated beyond the kaolin to the partially decomposed parent granite. Maximum drilling depth is 54m.</li> <li>Samples composited based on perceived reflectance levels. Composite intervals range from 1-5m.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>Drilling completed by McLeod Drilling using an MD1 Almet drill rig. The majority of the drilled metres were completed with 77mm diameter aircore drilling technique. 4 drillholes were drilled with an 87mm diameter bit in order to convert them into water monitoring wells.</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure</li> </ul>	<ul style="list-style-type: none"> <li>All metre bags that were sampled had their weights recorded before compositing and splitting for assay purposes. With a few exceptions, samples recovered were excellent, dry and competent. The depth of</li> </ul>



Criteria	JORC Code explanation	Commentary
	<p>representative nature of the samples.</p> <ul style="list-style-type: none"> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<p>penetration of the drill bit was noted and the downhole interval recorded for each aircore sample.</p> <ul style="list-style-type: none"> <li>Geological logging was undertaken by the onsite geologist during each drilling program. Determination of optimal samples and, conversely, intervals of poor recovery were based on visual observation of kaolinised material collected from each metre drilled.</li> <li>Sample recovery is expected to have minimal negative impact on samples collected.</li> <li>It remains unknown whether any relationship exists between recovery and grades but none is expected</li> </ul>
Logging	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>All drill samples were logged by an experienced geologist on-site at the time of drilling. Observations on lithology, colour, degree of weathering, moisture, mineralisation and alteration for sampled material were recorded.</li> <li>All relevant intersections were logged.</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>Sample compositing consisted of only contiguous 1m drill samples up to 5m in total length, based on drill logs and visual estimation of whiteness of material, ie reflectance. Sample composites were prepared with the aim of including kaolinised granite of similar quality within each composite, although in some cases narrow bands of discoloured kaolinised granite were included in the composite to determine if poorer quality could be carried within the interval. Each metre bag drill sample was weighed before splitting.</li> <li>Sample splitting by company employees took place in the JV Streaky Bay shed in sterile conditions. The samples were run through a 87.5:12.5% 3 tier splitter to compile composite samples of between 2 and 4kg in weight.</li> <li>The majority of samples were competent, with only 4 or 5 samples requiring air drying before compositing</li> <li>A total of 244 samples were collected, as well as 28 field duplicates</li> </ul>

Criteria	JORC Code explanation	Commentary
		(approximately 1 in 10) from 93 sampled drillholes.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>Previous CSIRO data confirm that the minus 45micron fraction is <u>dominantly</u> kaolin (kaolinite with halloysite in varying abundance) with <u>traces</u> of quartz, mica and microcline feldspar.</li> <li>All assay methods were appropriate at the time of undertaking.</li> <li>Laboratory and field duplicates were submitted for assessment</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>12 twinned holes were drilled within 5m of 2011 collar locations to verify the drill, sampling methods and results obtained in this program</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>All drill collar locations had survey pick up done by GNSS (Global Navigation Satellite System). Collar surveys were completed by licensed surveyor Steven Townsend of P.A.Dansie &amp; Associates using a Leica 1200 RTK (Real Time Kinematic) System with horizontal accuracy of +/- 20m and vertical accuracy of +/- 20m.</li> <li>No downhole surveys have been completed – all holes are vertical and generally &lt;30m deep</li> <li>Grid projection is MGA94 Zone 53</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> </ul>	<ul style="list-style-type: none"> <li>Extensional drillhole spacing is 100m by 100m with downhole sampling at 1m intervals with sample compositing of only contiguous 1m samples up to 5m based on drill logs and visual estimation of whiteness of material i.e. reflectance. Drillholes within the known orebody were placed at the centre point within the 100m grid, effectively on a 70.7m spaced diagonal grid.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>The drillhole spacing for the Minotaur work and this drilling program has established a high level of geological continuity for the kaolinite. The spacing is also suitable for establishing a reasonable level of grade continuity for the kaolinite and any impurities.</li> <li>Sample splitting took place in the Streaky Bay shed in sterile conditions. The samples were run through a 87.5:12.5% 3 tier splitter to compile composite samples of between 2 and 4kg in weight.</li> <li>Samples were nominally composited over 5m or less as required on the outside extremities of the mineralisation.</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>Vertical drilling generally achieved a very high angle of intercept with the flat-lying, stratabound mineralisation.</li> <li>Drilling orientations are considered appropriate with no obvious bias.</li> </ul>
Sample security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>The 2019 aircore ADN drill samples were collected by Andromeda personnel and delivered to the kaolin processing facility</li> <li>Transport of samples from the Streaky Bay kaolin processing facility to Adelaide and other locations for further testwork has been undertaken by competent exploration contractors. Remnant samples are stored securely at Minotaur Exploration premises in Streaky Bay or Adelaide.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>Simon Tear of HS&amp;C visited the Poochera site during the drilling to review drilling and sampling procedure in preparation for the next Mineral Resource estimation.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>The Poochera Kaolin-Halloysite Project (Exploration Licences 5814, 6096 and 6202, which is a subsequent licence to EL5308) includes the Poochera (Carey's Well) deposit, which is located on EL5814.</li> <li>The Poochera Project is held by subsidiaries of Minotaur Exploration Limited and is joint ventured to Andromeda under terms detailed in the ADN ASX release dated 26 April 2018.</li> <li>There are no known non-government royalties due beyond the Minotaur JV agreement terms.</li> <li>The underlying land title is freehold that extinguishes Native Title.</li> <li>There are no known historical sites within the Carey's Well/Poochera area which preclude exploration or mineral development.</li> <li>All tenements are secure and compliant with Government of South Australia Department for Energy and Mining requirements at the date of this report.</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Minotaur has conducted exploration in the Carey's Well/Poochera area since the tenement was granted in 2005.</li> <li>The general area that is the subject of this report has been explored for kaolinitic products in the past by Transoil NL, SA Paper Clays ECC (Pacific) &amp; Commercial Minerals Ltd. ADN has reviewed past exploration conducted by Minotaur.</li> </ul>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>Kaolin deposits, such as Poochera/Carey's Well, developed in situ by lateritic weathering of the feldspar-rich Hiltaba Granite.</li> <li>The resultant kaolin deposit at Carey's Well is a sub-horizontal zone of kaolinised granite resting with a fairly sharp contact on unweathered granite. The kaolinised zone is overlain by loosely consolidated Tertiary and Quaternary sediments.</li> <li>High quality kaolin-halloysite deposits occur extensively across the Poochera Project area</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>Halloysite is a rare derivative of kaolin where the mineral occurs as nanotubes. Halloysite has a wide variety of industrial uses beyond simple kaolin and commands a significant premium above the average kaolin price. The Poochera kaolin deposits contain variable admixtures of kaolin and halloysite that appear amenable to selective mining to produce specific low, medium and high halloysite blends for the ceramic markets, new nanotechnology applications and as a strengthening additive in the cement and petroleum fracking industries.</li> </ul>
Drill hole Information	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>The report includes a tabulation of drillhole collar set-up information sufficient to allow an understanding of the results reported herein.</li> </ul>
Data aggregation methods	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>Exploration results not being reported.</li> </ul>
Relationship between mineralisation	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole</li> </ul>	<ul style="list-style-type: none"> <li>Exploration results not being reported.</li> <li>Drill hole angle relative to mineralisation has been almost perpendicular. Generally, the stratabound intercepts are close to true width.</li> </ul>

Criteria	JORC Code explanation	Commentary
widths and intercept lengths	<p>angle is known, its nature should be reported.</p> <ul style="list-style-type: none"> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</li> </ul>	
Diagrams	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>Exploration results not being reported.</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>Exploration results not being reported.</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>Exploration results not being reported.</li> </ul>
Further work	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Exploration results not being reported.</li> </ul>