



11 September 2020

Manager Announcements
Company Announcements Office
Australian Securities Exchange Limited
Level 4, 20 Bridge Street
Sydney NSW 2000

INVESTOR WEBINAR PRESENTATION

Andromeda Metals Limited (ASX: ADN, "Andromeda" or "the Company") is pleased to announce its participation in the Share Cafe Webinar - Micro/Small Cap "Hidden Gems" Webinar to be held today (Friday 11th September 2020) from 12:30pm AEST / 10:30am AWST.

Andromeda's Managing Director James Marsh will provide an overview of the Company's operations titled 'Developing a World-Class Halloysite-Kaolin Project'.

This FREE webinar is able to be viewed live via Zoom over the internet and will provide viewers the opportunity to hear from, and engage with, a range of ASX-listed leading micro/mid cap companies.

To access further details of the event and to register (for FREE), please copy and paste the following link into your internet browser:

https://us02web.zoom.us/webinar/register/WN_xgg5pzuDQtmC60Y0M6Bs2A

A recorded copy of the webinar will be made available following the event. A copy of the investor presentation to be delivered during the webinar is attached.

Yours sincerely

A handwritten signature in black ink, appearing to read "Nick Harding", with a stylized flourish at the end.

Nick Harding
Executive Director and Company Secretary



ANDROMEDA METALS

INVESTOR PRESENTATION

DEVELOPING A WORLD-CLASS HALLOYSITE-KAOLIN PROJECT



CORPORATE OVERVIEW



Capital Structure 10 September 2020

- Market Capitalisation \$99.5M
- Cash \$3.4M
- Debt \$0M
- Enterprise Value \$96.1M
- 1,657,400,593 fully paid ordinary shares
- Current Share Price \$0.065 cents.

Options

- 490,636,147 listed (\$0.012 & expiry 30 Nov 2020)
- 17,500,000 unlisted (\$0.012 & expiry 15 Nov 2021)
- 59,000,000 unlisted (\$0.064 & expiry 28 Nov 2022)
- 20,000,000 unlisted (\$0.075 & expiry 28 Nov 2023)

Board Members

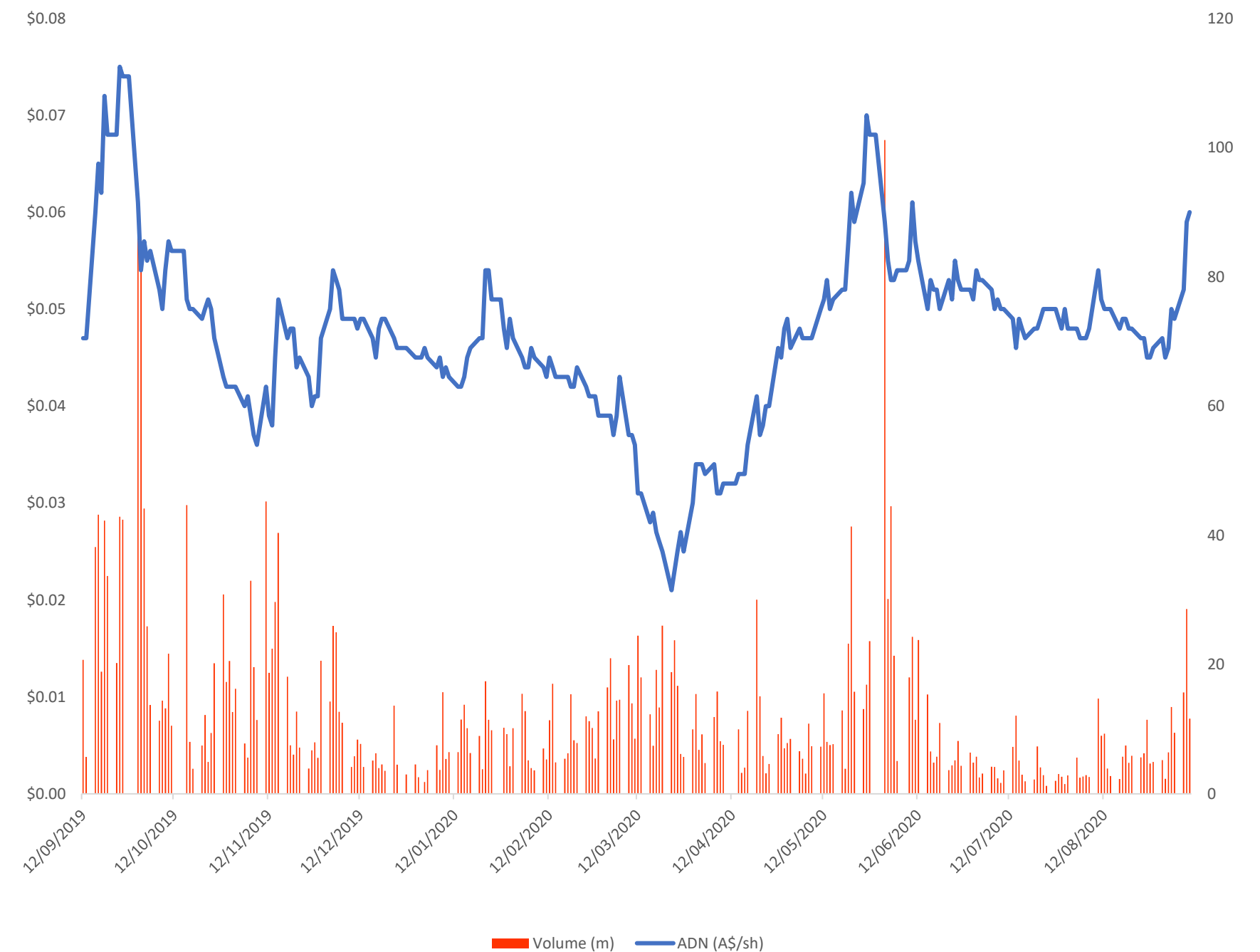
Rhod Grivas – Non Executive Chairman

James Marsh – Managing Director

Joe Ranford – Operations Director

Nick Harding – Finance Director

Andrew Shearer – Non Executive Director



ANDROMEDA ASSETS



Primary Focus

Halloysite-Kaolin

Great White Kaolin (JV with MEP) and Mount Hope (100%) Projects in South Australia

Additional Assets & JV's

Gold

Copper

Evolution Mining JV
Gold in Qld

Cobra Resources JV
Gold in SA

Gold Tenements
Pilbara WA

Environmental Copper
Recovery JV
Copper in SA

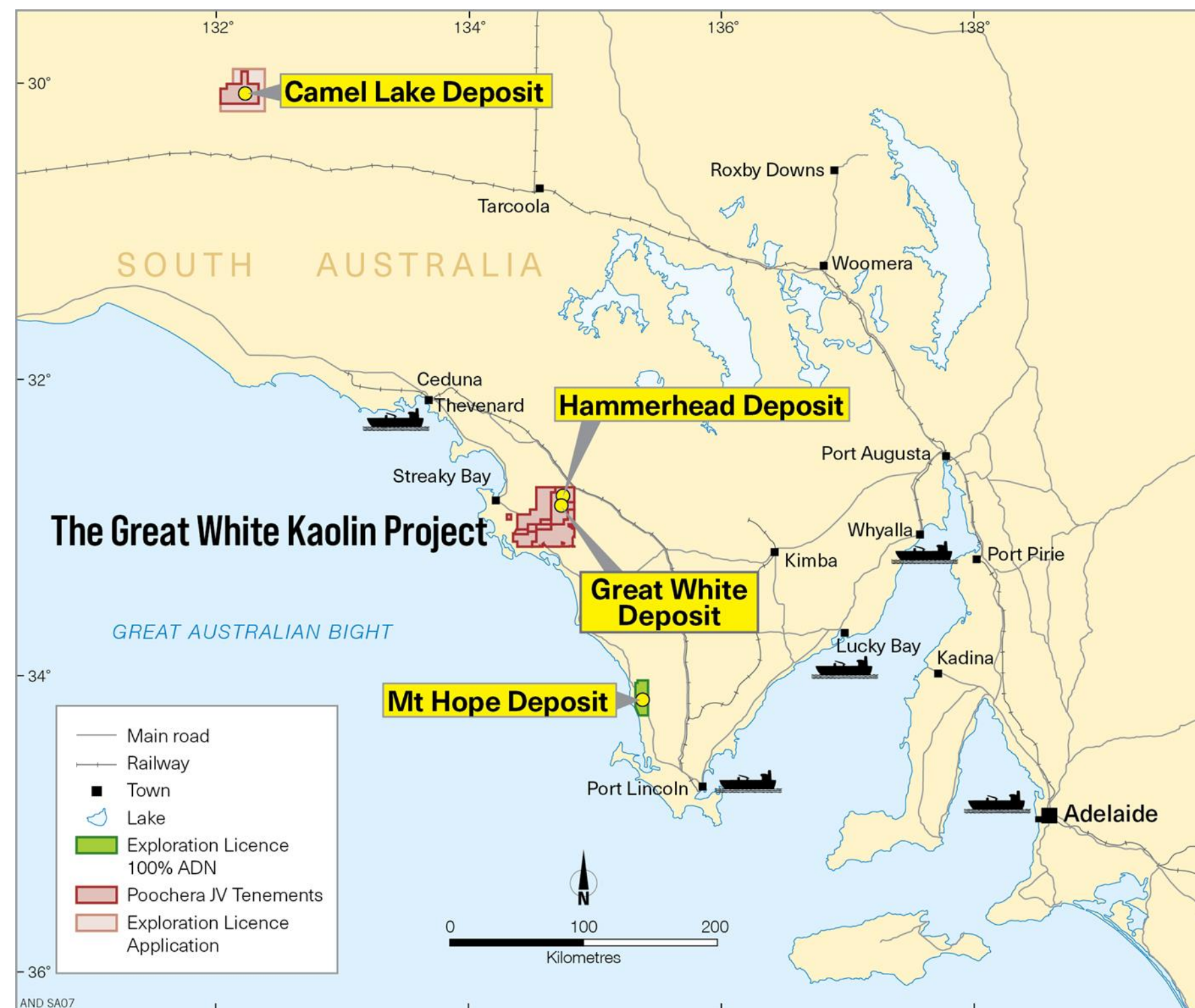


GREAT WHITE KAOLIN PROJECT



Primary Project Focus - Halloysite-Kaolin

- Great White - among the world's largest halloysite-kaolin Reserves & Resources
- Located close to essential infrastructure
- extremely robust Pre-Feasibility Study
- High grade halloysite found at Hammerhead
- Significant high-purity kaolin found at Mt Hope
- Multiple opportunities in Halloysite Nanotube Technologies
- High Purity Alumina (HPA) testwork continuing - options under evaluation



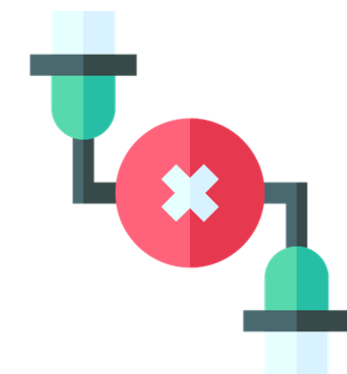
KEY TAKEOUTS



Andromeda Metals is a low capex, short payback period, large scale potential Halloysite- Kaolin miner



You already use Kaolin in a vast number of applications, every day



Global supply of high-quality halloysite-kaolin is reducing

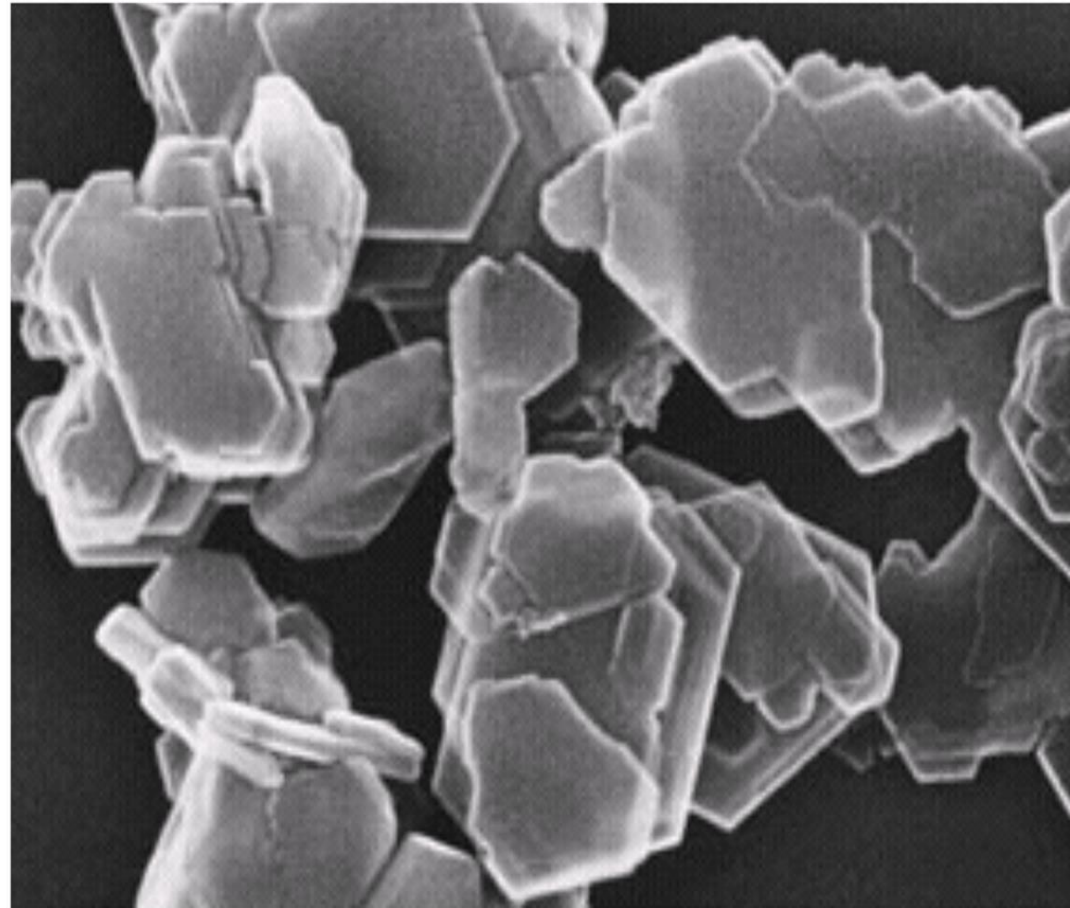


Andromeda will be the largest supplier of Halloysite-Kaolin and nanotechnology materials in the world



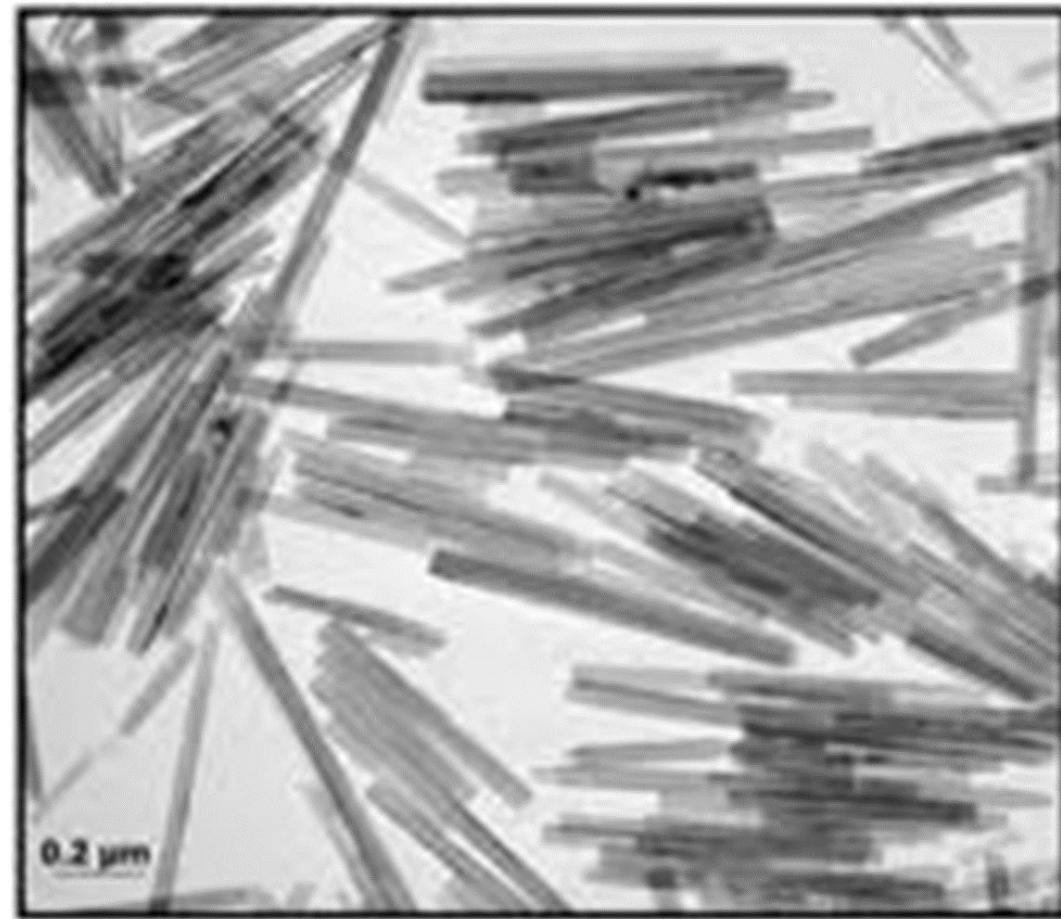


WHAT IS HALLOYSITE-KAOLIN

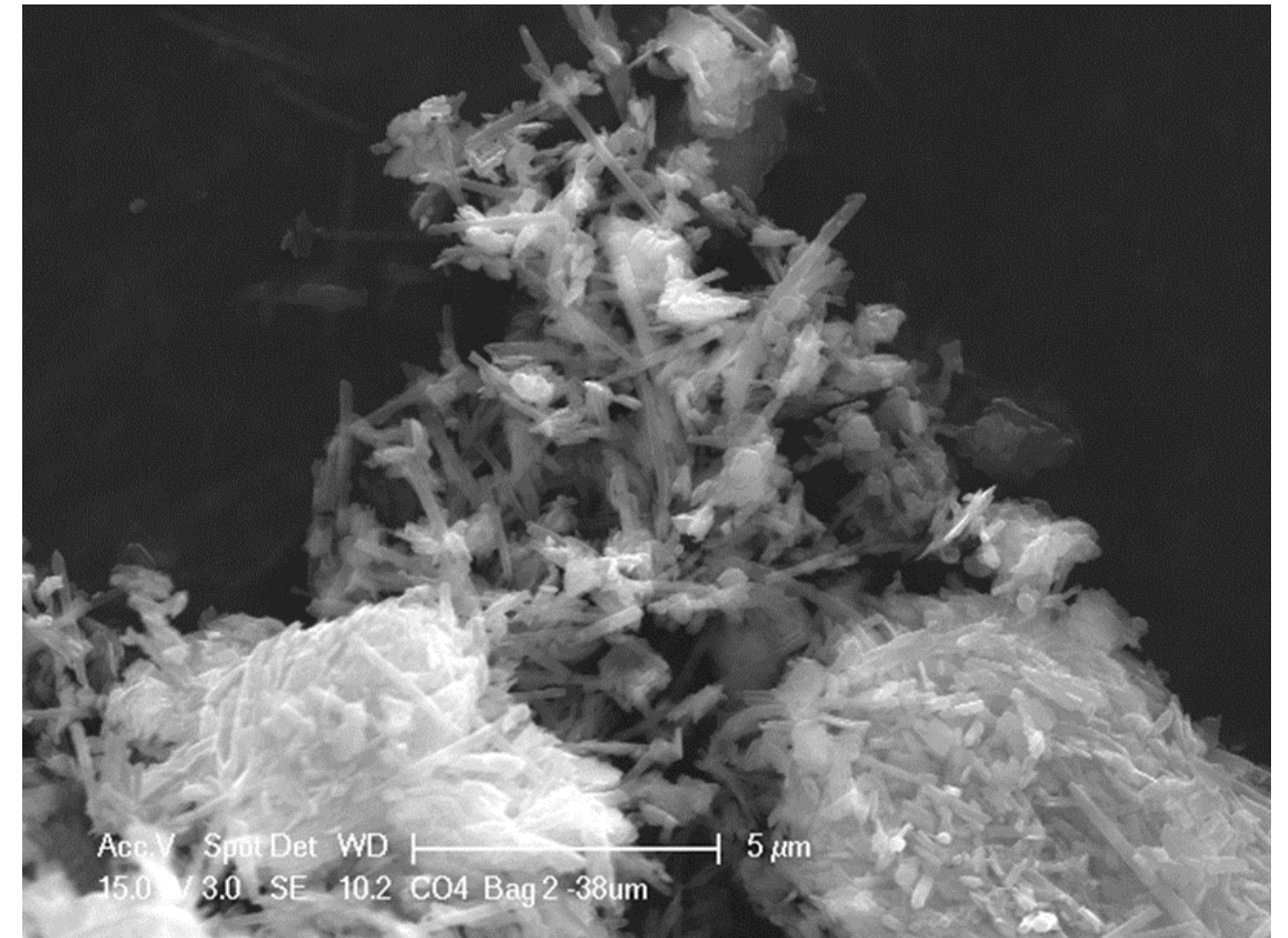


Kaolinite Plates

Halloysite Tubes



The Great White resource is a naturally occurring blend of halloysite tubes and kaolinite plates



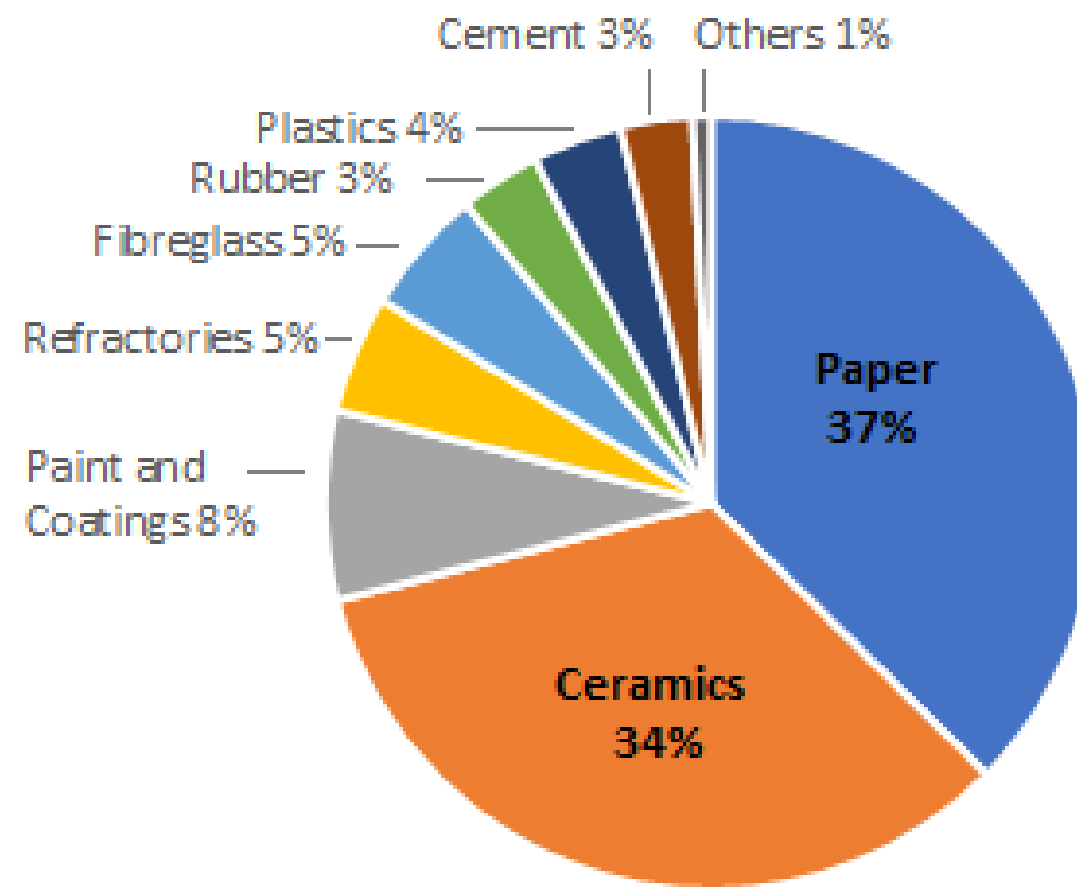


KAOLIN USES

You already use kaolin in a vast number of applications, everyday



ESTIMATED % MARKETS OF 26.5MT FOR 2019



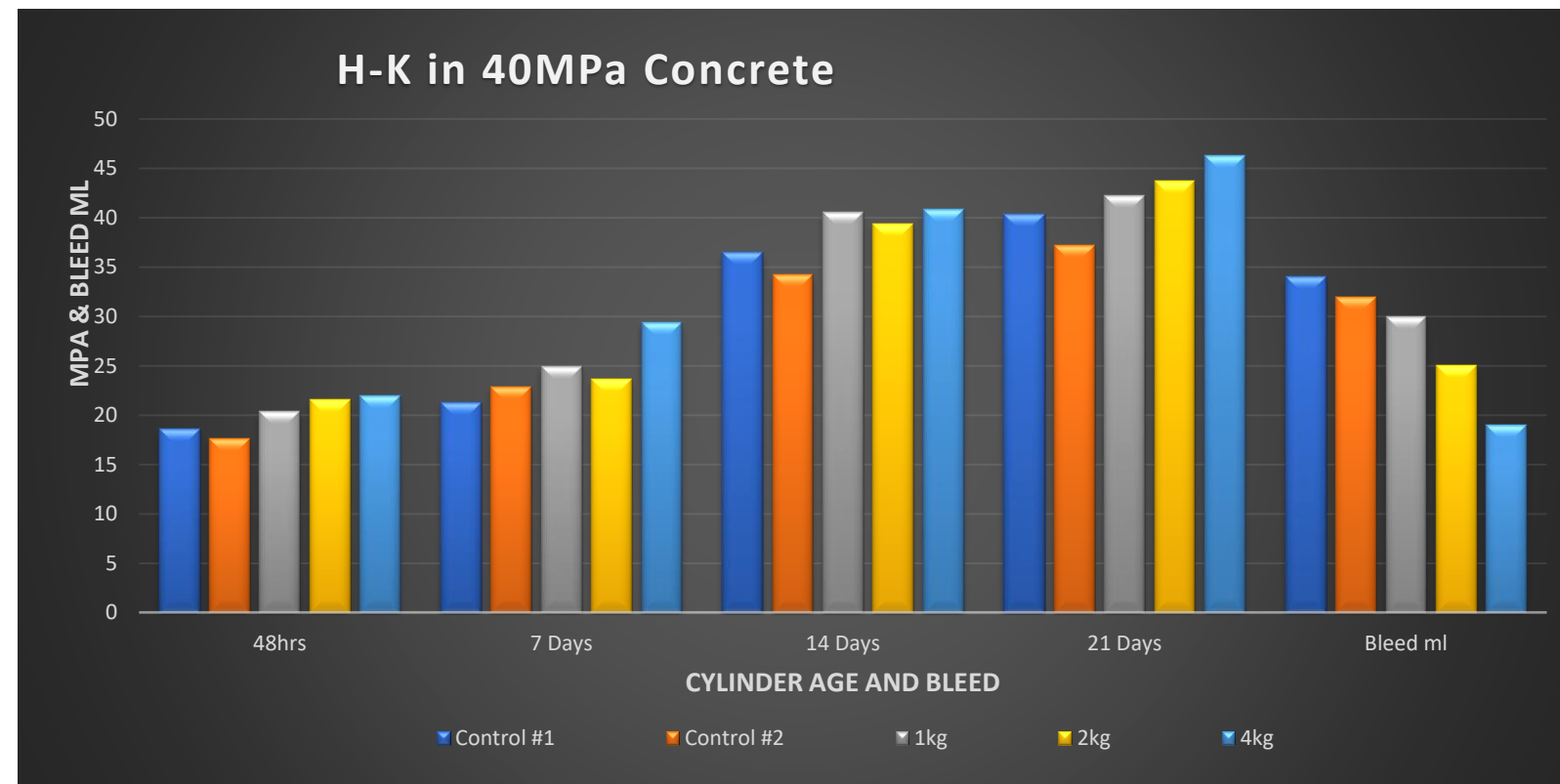
Application	Estimated 2019 MT	%
Paper	9.9	37
Ceramics	8.9	34
Paint and Coatings	2.1	8
Refractories	1.3	5
Fibreglass	1.4	5
Rubber	0.9	3
Plastics	1	4
Cement	0.8	3
Others	0.2	1
TOTAL	26.5	100



HALLOYSITE-KAOLIN USES



Exciting New Applications in Construction Products



- ❑ Various levels of halloysite % products from the Great White and Hammerhead deposits being tested in a range of construction products
- ❑ Addition levels as low as 1kg/m³ of concrete show clear positive benefits in handling and strength
- ❑ Australian Industry Standards certification testing is currently being completed
- ❑ This opportunity represents a new high-value market with global reach

Concrete Test Pieces containing Halloysite-Kaolin Rheology Modifier Products



HALLOYSITE USES

MOST RESEARCHED CLAY MINERAL IN THE WORLD



>8000 Papers and 100's of Patents Granted
Great White Project halloysite is being tested in all of
these emerging and existing applications:

Hydrogen Storage and Transport

Batteries and Super-Capacitors

Water Purification

Carbon Dioxide Capture/Storage and Conversion to Fuels

Medical Delivery of Drugs and Anti-Bacterial Properties

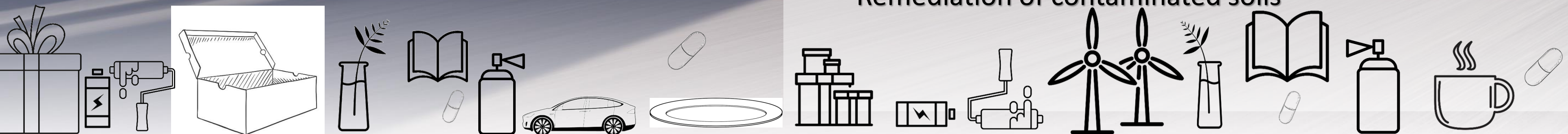
Construction

Agriculture/Delivery of Herbicides

Polymers and Coatings

Remediation of contaminated soils

The Andromeda Metals/Minotaur Exploration joint R&D
company Natural Nanotech along with funding partners
will have a \$1.5 million pilot production plant for
Halloysite Nanotube Carbon operational this year to
facilitate the progression into large-scale production





CURRENT HIGHLIGHTS

Great White Project PFS

12.5Mt Ore Reserve *
High Halloysite component 9.7Mt

NPV of A\$736m (pre tax / 8% discount rate)
EBITA (LOM) A\$2.06B

26 year mine life (@500ktpa)
15 month payback
IRR of 175%

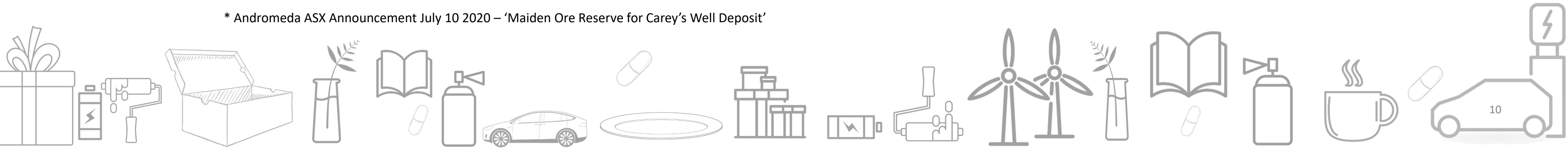
Mid Term

High grade Halloysite found at Hammerhead

High-purity Kaolin resource at Mount Hope

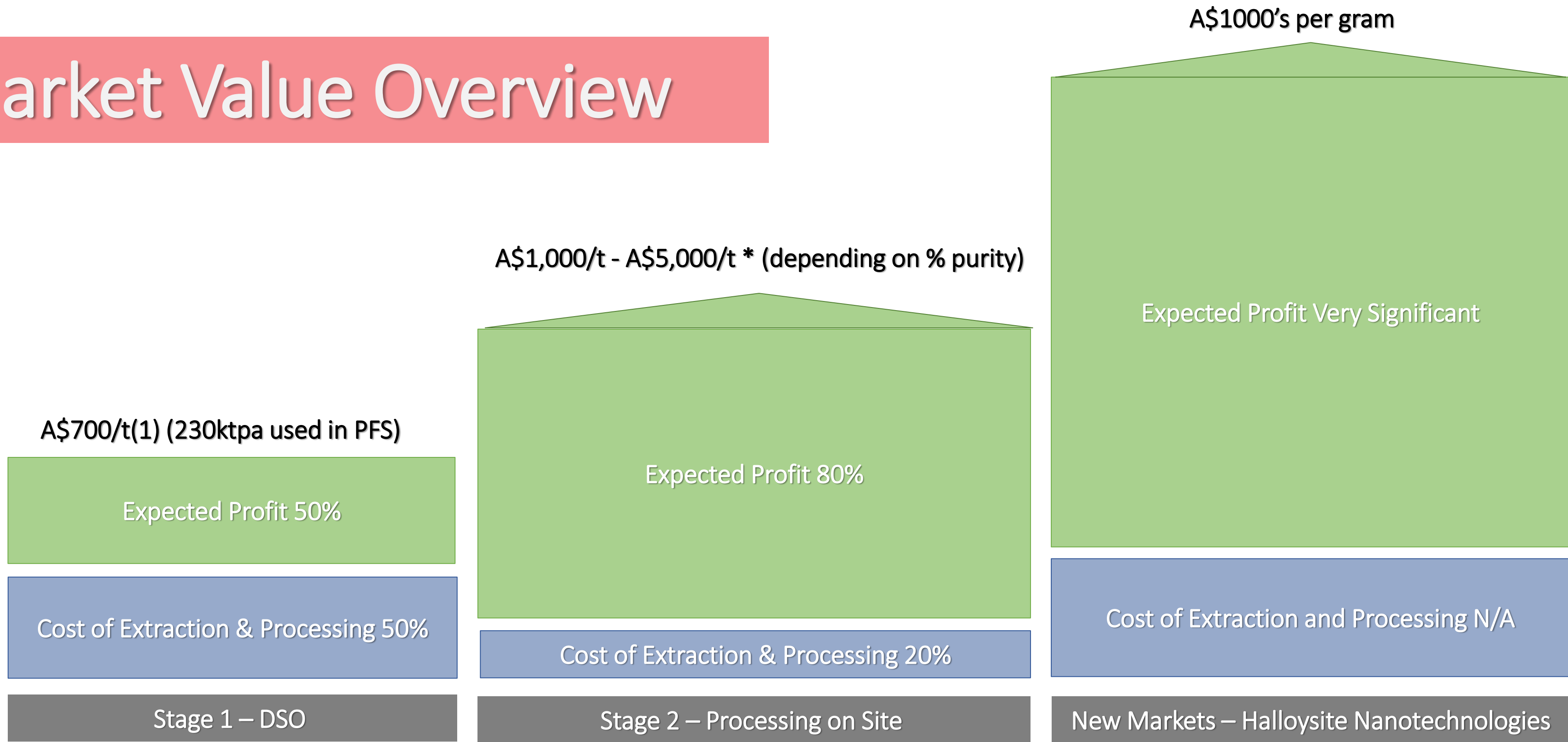
Nanotube applications & HPA testing underway

* Andromeda ASX Announcement July 10 2020 – ‘Maiden Ore Reserve for Carey’s Well Deposit’





Market Value Overview



(1) Project economics have been established on market research provided by First Test Minerals a world authority on clay materials. The high grade, rare halloysite-kaolin product commands a US\$500/t (A\$700/t) in the ceramics industries of China, and a number of countries throughout Asia, the Middle East, and Europe.
 (2) Andromeda ASX announcement Jul 10 2020 – "Maiden Ore Reserve for Carey's Well Deposit".

Not to scale
 • Price depending on % purity



So What's Next?

- Mining lease approvals – in progress
- Definitive feasibility study - in progress
- Progress customer offtake agreements – through 2020 and 2021
- Define an halloysite-kaolin resource at Hammerhead - imminent
- Define a halloysite-kaolin resource at Tiger – Q4 2020
- Potential studies on Hammerhead & Mt Hope prospects – 2020/2021
- Progress building product application testing – in progress
- Progress halloysite nanotube application research – ongoing
- Secure an HPA alliance/collaboration partner – in progress
- Obtain a high purity halloysite resource – 2021
- Evaluation of additional industrial mineral opportunities - ongoing
- Commencement of operations at Great White – target early 2022



Approximately 10t of Commercial Scale Product
produced in Japan for Customer Offtake
Approvals



In Summary

- Andromeda has one of the world's largest resources of halloysite-kaolin
- This is a high value industrial mineral selling into a low-volatility market
- Global demand is increasing and supply is decreasing
- Low capex project with a short timeline to operation
- Simple business model with low impact mining
- Andromeda is well positioned to become the world's leading producer of this mineral
- Huge potential in new application, high-purity halloysite, nanotube technology and HPA
- Opportunities to build a diversified industrial minerals business



PLANNING



IDEA



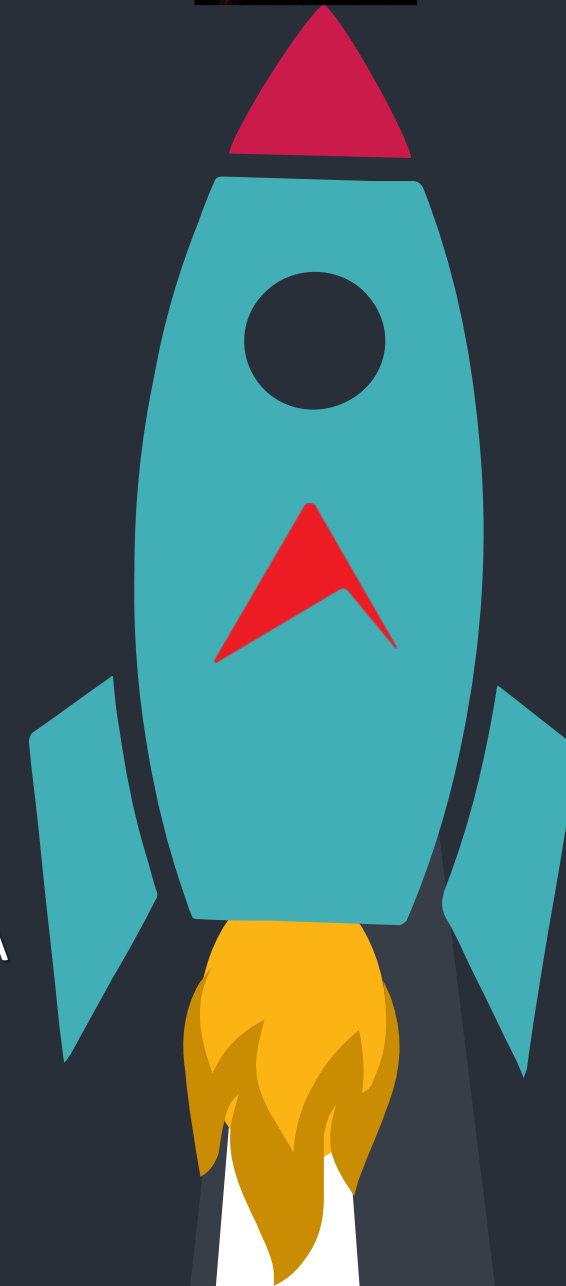
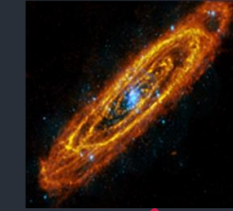
STRATEGY



FINANCE



MARKETING



www.andromet.com.au

ASX:ADN

www.andromet.com.au

THANK YOU

James Marsh
Managing Director
james.marsh@andromet.com.au

Cautionary Statements

The preliminary feasibility study (Pre-Feasibility Study, PFS) referred to in this announcement has been undertaken to study a range of options to produce high-quality halloysite-kaolin product from the Kaolin Resource at Poochera in South Australia in order to provide Andromeda Metals with a basis for more detailed Definitive Feasibilities Studies for the Project. It is a technical and economic study to identify preferred mining, processing and infrastructure requirements but it has not finalised these. The PFS work has advanced assessments of environmental and socio-economic impacts and requirements but these are also not finalised. The estimation of ore reserves is yet to be done.

The Production Target referred to in this announcement is based on this PFS and supported mainly by Measured and Indicated Resources and only minor Inferred Resources. Andromeda Metals has concluded that it has reasonable grounds for disclosing a Production Target, however there is no certainty that the Production Target or the economic assessment will be realised.

The PFS is based on the material assumptions outlined elsewhere in this announcement. These include assumptions about the availability of funding. While Andromeda Metals considers all of the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the PFS will be achieved.

To achieve the range of outcomes indicated in the PFS, funding in the order of A\$28M, inclusive of working capital, is likely to be required. Investors should note that there is no certainty that Andromeda Metals will be able to raise that amount of funding when needed. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of Andromeda Metals' existing shares. It is also possible that Andromeda Metals could pursue other 'value realisation' strategies to provide alternative funding options.

Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the PFS.

This announcement includes forward looking statements. For further information on forward looking statements please refer to the end of this release.

Forward Looking Statements

Some of the statements contained in this report are forward looking statements. Forward looking statements, include, but are not limited to, statements concerning estimates of tonnages, expected costs, statements relating to the continued advancement of Andromeda's projects and other statements that are not historical facts. When used in this report, and on other published information of Andromeda, the words such as 'aim', 'could', 'estimate', 'expect', 'intend', 'may', 'potential', 'should' and similar expressions are forward looking statements. Although Andromeda believes that its expectations reflected in the forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Various factors could cause actual results to differ from these forward looking statements include the potential that Andromeda's project may experience technical, geological, metallurgical and mechanical problems, changes in market prices and other risks not anticipated by Andromeda. Andromeda is pleased to report this summary of the Study in a fair and balanced way and believes that it has a reasonable basis for making the forward-looking statements in this announcement, including with respect to any mining of mineralised material, modifying factors, production targets and operating cost estimates.

This announcement has been compiled by Andromeda from the information provided by the various contributors. All financial assumptions and estimates are quoted in Australian Dollars ('A\$' or 'AUD') only, unless indicated otherwise.

Competent Person's Statements

Information in this announcement has been compiled by Mr James Marsh a member of The Australasian Institute of Mining and Metallurgy (AusIMM). Mr Marsh is an employee of Andromeda Metals Limited has sufficient experience, which is relevant to the style of mineralisation, type of deposits and their ore recovery under consideration and to the activity being undertaken to qualify as Competent Persons under the 2012 Edition of the 'Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). This includes Mr Marsh attaining over 30 years of experience in kaolin processing and applications. Mr Marsh consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

