



METALS

ACN 061 503 375

NOTICE OF 2020 ANNUAL GENERAL MEETING

THURSDAY 26 NOVEMBER 2020
COMMENCING 2.00pm (Adelaide Time ACDT)

Notice is hereby given that due to the ongoing COVID-19 pandemic, the Annual General Meeting of Shareholders of Andromeda Metals Limited will be conducted online via a webinar conferencing facility to be held on **Thursday 26 November 2020 commencing at 2.00pm (ACDT)**.

If you are a Shareholder and choose to participate in the meeting you will be able to view a live webcast of the meeting, ask the Directors questions online and submit your vote in real time. To participate online you will need to visit **<https://web.lumiagm.com/330869874>** on your smartphone, tablet or computer. You will need the latest version of Chrome, Safari, Internet Explorer 11, Edge or Firefox. Please ensure your browser is compatible. For further instructions on how to participate online please view the online meeting user guide at **<http://www.computershare.com.au/virtualmeetingguide>**

Access for Shareholders to attend the meeting in person is offered but will be limited in order to comply with social distancing requirements as a result of the COVID-19 pandemic. The venue for the meeting will be The Science Exchange, 55 Exchange Place, Adelaide, South Australia. If a Shareholder wishes to attend the meeting in person rather than online, they will need to register with the

Company Secretary by emailing **admin@andromet.com.au** or phoning 08 8271 0600 prior to the close of proxy voting at 2.00pm (ACDT) on Tuesday 24 November 2020, and will be offered an invitation to attend if numbers permit. Any Shareholders who do attend in person will still only be able to vote online during the meeting using their mobile device.

Shareholders are strongly encouraged to submit their proxy voting by 2.00pm (ACDT) on Tuesday 24 November 2020 even if they plan to attend online or in person as a precaution should any technical difficulties be experienced during the meeting.

Following recent modifications to the Corporations Act 2001 by the Australian Government in response to the COVID-19 pandemic, a hard copy of the Notice of Annual General Meeting and Explanatory Memorandum **will not** be mailed to Shareholders. A separate Notice and Access Form will be mailed to all Shareholders along with their Proxy Form containing instructions on how to download a full electronic copy of the Notice of Annual General Meeting and Explanatory Memorandum which can be printed. The Notice of Meeting will also be available to view on the Australian Stock Exchange announcement platform and on the Company's website at **www.andromet.com.au**.

How to find The Science Exchange



ANDROMEDA METALS LIMITED
ACN 061 503 375
69 King William Road
Unley South Australia
PO Box 1210 Unley BC SA 5061

NOTICE OF ANNUAL GENERAL MEETING

Ordinary Business

FINANCIAL REPORT

To receive and consider the Company's financial statements and independent audit report for the year ended 30 June 2020.

The 2020 Annual Report will be available to view online at www.andromet.com.au and despatched to those Shareholders who have elected to receive a hard copy of the report.

RESOLUTION 1 ADOPTION OF THE REMUNERATION REPORT FOR THE YEAR ENDED 30 JUNE 2020

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, the Company adopt the Remuneration Report for the period ended 30 June 2020 as set out in the Directors' Report in the 2020 Annual Report.

Voting Exclusion Statement

The Company will disregard any votes cast (in any capacity) on Resolution 1 by any Key Management Personnel, the details of whose remuneration are included in the Remuneration Report, and any Closely Related Party of such Key Management Personnel.

However, a person described above may cast a vote on Resolution 1 if the vote is not cast on behalf of a person described above and either:

- a) the person does so as proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution; or
- b) the Chair of the Meeting is appointed as proxy and the Proxy Form expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Company need not disregard a vote if it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the stated voting intentions of the Chair of the Meeting.

Note: the vote on this resolution is advisory only and does not bind the Directors of the Company.

RESOLUTION 2 RE-ELECTION OF MR NICHOLAS HARDING AS A DIRECTOR

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

In accordance clause 6.1 of the Company's Constitution, Mr Nicholas Harding, having retired as a Director by rotation and being eligible and having offered himself for re-election, is re-elected as a Director of the Company with immediate effect.

RESOLUTION 3 ELECTION OF MR JOSEPH RANFORD AS A DIRECTOR

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

That Mr Joseph Ranford, having been appointed a Director of the Company since the last Annual General Meeting, will retire at the close of the Meeting in accordance with clause 9.2 of the Company's Constitution and being eligible, be elected as a Director of the Company.

RESOLUTION 4 APPROVAL TO ISSUE PERFORMANCE RIGHTS TO OPERATIONS DIRECTOR MR JOSEPH RANFORD

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue and allotment of up to 9,000,000 Performance Rights to Mr Joseph Ranford, which once issued will entitle Mr Ranford to be issued with an equal number of Shares, upon and subject to the satisfaction of specific performance criteria by the second anniversary of the date of issue of those Performance Rights, on the terms and conditions summarised in the Explanatory Memorandum accompanying this Notice of Meeting.

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of Mr Ranford or any of his associates. However, the Company will not disregard a vote if:

- a) it is cast by a person as proxy or attorney for a person who is entitled to vote, in accordance with the directions of the Proxy Form; or
- b) it is cast by a person who is chairing the Meeting as proxy or attorney for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides; or
- c) it is cast by a Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i) the beneficiary provides written confirmation to the Shareholder that the beneficiary is not excluded from voting and is not an associate of a person excluded from voting on this Resolution 4; and
 - ii) the Shareholder votes on this Resolution in accordance with the directions given by the beneficiary to the Shareholder to vote in that way.

Restriction on proxy voting by key management personnel or closely related parties

A person appointed as a proxy must not vote on the basis of that appointment on this resolution if:

- a) the proxy is either a member of key management personnel or a closely related party of such a member; or
- b) the appointment does not specify the way the proxy is to vote on this resolution.

However, the above prohibition does not apply if:

- c) the proxy is the person Chairing the meeting; and
- d) the appointment expressly authorises the person Chairing the meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

**RESOLUTION 5
APPROVAL OF EMPLOYEE INCENTIVE PLAN**

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

That, for the purpose of Listing Rule 7.2 Exception 13(b) and for all other purposes, Shareholders approve:

- a) *the establishment of a plan, to be called the Employee Incentive Plan, for the provision of incentives to management and employees of the Company; and*
- b) *the issue of Options and Performance Rights under the Employee Incentive Plan,*

in accordance with the terms of the Employee Incentive Plan initialled by the Chairman for the purpose of identification and described in the Explanatory Memorandum.

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of any person who is eligible to participate in the Company's Employee Incentive Plan or any of their associates. However, the Company will not disregard a vote if:

- a) it is cast by a person as proxy or attorney for a person who is entitled to vote, in accordance with the directions of the Proxy Form; or
- b) it is cast by a person who is Chairing the Meeting as proxy or attorney for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides; or
- c) it is cast by a Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i) the beneficiary provides written confirmation to the Shareholder that the beneficiary is not excluded from voting and is not an associate of a person excluded from voting on this Resolution 5; and

- ii) the Shareholder votes on this resolution in accordance with the directions given by the beneficiary to the Shareholder to vote in that way.

Restriction on proxy voting by key management personnel or closely related parties

A person appointed as a proxy must not vote on the basis of that appointment on this resolution if:

- a) the proxy is either a member of key management personnel or a closely related party of such a member; or
- b) the appointment does not specify the way the proxy is to vote on this resolution.

However, the above prohibition does not apply if:

- c) the proxy is the person Chairing the meeting; and
- d) the appointment expressly authorises the person Chairing the meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

**RESOLUTION 6
APPROVAL TO ISSUE PERFORMANCE RIGHTS TO DIRECTORS UNDER THE EMPLOYEE INCENTIVE PLAN**

To consider, and if thought fit, pass the following resolution as an ordinary resolution:

That, for the purpose of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of securities under the 'Employee Incentive Plan' (proposed in Resolution 5) to each of the Directors of the Company, on the terms set out in the Explanatory Memorandum.

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of any of the Directors who are eligible to participate in the Company's Employee Incentive Plan or any of their associates. However, the Company will not disregard a vote if:

- a) it is cast by a person as proxy or attorney for a person who is entitled to vote, in accordance with the directions of the Proxy Form; or
- b) it is cast by a person who is Chairing the Meeting as proxy or attorney for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides; or
- c) it is cast by a Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i) the beneficiary provides written confirmation to the Shareholder that the beneficiary is not excluded from voting and is not an associate of a person excluded from voting on this Resolution 6; and
 - ii) the Shareholder votes on this resolution in accordance with the directions given by the beneficiary to the Shareholder to vote in that way.

Restriction on proxy voting by key management personnel or closely related parties

A person appointed as a proxy must not vote on the basis of that appointment on this resolution if:

- a) the proxy is either a member of key management personnel or a closely related party of such a member; or
- b) the appointment does not specify the way the proxy is to vote on this resolution.

However, the above prohibition does not apply if:

- c) the proxy is the person Chairing the meeting; and
- d) the appointment expressly authorises the person Chairing the meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

**RESOLUTION 7
ADOPTION OF PROPOSED CONSTITUTION**

To consider, and if thought fit, pass the following resolution as a special resolution:

That, the Proposed Constitution tabled at the Meeting (excluding clause 25 containing the proportional takeover provisions which requires separate approval under Resolution 8) and for the purpose of identification is signed by the Chair, is approved and be adopted as the Constitution of the Company in place of the current Constitution with effect from the close of the Meeting.

**RESOLUTION 8
APPROVAL OF PROPORTIONAL
TAKEOVER PROVISIONS**

To consider, and if thought fit, pass the following resolution as a special resolution:

That the proportional takeover provisions set out in the Explanatory Notes to this Notice of Meeting be inserted into the Proposed Constitution tabled for approval under Resolution 7, with effect from the close of the Meeting; or, in the event that Resolution 7 is not passed, the same provisions be inserted in place of clause 164 of the current Constitution with effect from the close of the Meeting.

**RESOLUTION 9
APPROVAL OF 10% PLACEMENT FACILITY**

To consider, and if thought fit, pass the following resolution as a special resolution:

That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting.

Voting Exclusion Statement

In accordance with ASX Listing Rule 7.3A.7, the Company will disregard any votes cast in favour of Resolution 9 by:

- a) a person who may participate in the issue of securities; and
- b) a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this resolution is passed; and
- c) any of their associates.

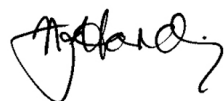
However, the Company will not disregard a vote if:

- a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions of the Proxy Form; or
- b) it is cast by a person who is Chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

OTHER BUSINESS

To transact any other business that may be brought forward in accordance with the Company's Constitution.

By Order of the Board



N J Harding
Company Secretary

Dated this 23rd day of October 2020

VOTING ENTITLEMENTS

For the purpose of ascertaining the voting entitlements for the Annual General Meeting, the shareholding of each Shareholder will be as it appears in the share register on Tuesday 24 November 2020 at 6.30pm (Adelaide time ACDT).

PROXIES

A Shareholder entitled to attend and vote at the Meeting has the right to appoint a proxy, who need not be a Shareholder of the Company. If a Shareholder is entitled to cast two or more votes they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. The Proxy Form must be deposited at the share registry of the Company, Computershare Investor Services Pty Limited, located at GPO Box 242, Melbourne VIC 3001, or by facsimile to Computershare on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia), or by casting a vote online by visiting www.investorvote.com.au and by entering the Control Number, SRN/HIN and postcode, which are shown on the first page of the Proxy Form not later than 48 hours before the commencement of the Meeting. For Intermediary Online subscribers only (custodians), please visit www.intermediaryonline.com to submit your voting intentions, which must be submitted by not later than 48 hours before the commencement of the Meeting.

CORPORATE REPRESENTATIVE

A corporation that is a Shareholder or a proxy may elect to appoint a person to act as its corporate representative at the meeting, in which case the corporate Shareholder or proxy (as applicable) must provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that Shareholder's or proxy's (as applicable) corporate representative. The authority must be sent to the Company and/or the Company's Share Registry (detailed above) in advance of the meeting or handed in at the Meeting when registering as a corporate representative.

EXPLANATORY MEMORANDUM

The Explanatory Memorandum accompanying this Notice of Annual General Meeting is incorporated in and comprises part of this Notice of Annual General Meeting and should be read in conjunction with this Notice.

TECHNICAL DIFFICULTIES

Technical difficulties may arise during the course of the AGM. The Chairman has discretion as to whether and how the meeting should proceed in the event that technical difficulties arises. In exercising his discretion, the Chairman will have regard to the number of members impacted and the extent to which participation in the business of the AGM is affected.

Where the Chairman considers it appropriate, the Chairman may continue to hold the AGM and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, members are encouraged to lodge a proxy by 2.00pm (ACDT) on 24 November 2020 even if they plan to attend online.

Explanatory Memorandum

This Explanatory Memorandum has been prepared to assist Shareholders in consideration of resolutions proposed for the Annual General Meeting of the Company to be held virtually at <https://web.lumiagm.com/330869874> on Thursday 26 November 2020 commencing at 2.00 pm (Adelaide time ACDT). Access for Shareholders to attend the meeting in person is offered but will be limited in order to comply with social distancing requirements as a result of the COVID-19 pandemic. The venue for the meeting is The Science Exchange, 55 Exchange Place, Adelaide, South Australia.

You will need the latest versions of Chrome, Safari, Internet Explorer 11, Edge or Firefox. Please ensure your browser is compatible. For further instructions on how to participate online please view the online meeting user guide at <http://www.computershare.com.au/virtualmeetingguide>

It should be read in conjunction with the accompanying Notice of Annual General Meeting.

RESOLUTION 1

ADOPTION OF THE REMUNERATION REPORT FOR THE YEAR ENDED 30 JUNE 2020

In accordance with Section 250R(2) of the Corporations Act, Shareholders are required to vote on the Company's Remuneration Report for the year ended 30 June 2020.

The Remuneration Report is contained in the Directors' Report in the 2020 Annual Report, which will be available to view online at the Company's website www.andromet.com.au and despatched to those Shareholders who have elected to receive a hard copy of the report.

The Remuneration Report describes the underlying policies and structure of the remuneration arrangements of the Company and sets out the remuneration arrangements in place for Directors and senior executives for the year ended 30 June 2020.

The Corporations Act requires that a resolution to adopt the Remuneration Report be put to the vote at the Annual General Meeting of the Company. Members should note that the vote on Resolution 1 is not binding on the Company or the Directors.

Since 1 July 2011, if more than 25% of the votes cast on a resolution to adopt the Remuneration Report are against the adoption of the Remuneration Report for two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution ("Spill Resolution") that another meeting be held within 90 days, at which all of the Company's Directors must go up for re-election.

At the 2019 AGM, the Company's Remuneration Report for the year ended 30 June 2019 was approved by Shareholders. The vote against the resolution was less than 25%.

Important information for Shareholders:

Please note, in accordance with sections 250R(4) and (5) of the Corporations Act, the Chair will not vote any undirected proxies in relation to Resolution 1 unless the Shareholder expressly authorizes the Chair to vote in accordance with the Chair's stated voting intentions. Please note that if the Chair of the Meeting is your proxy (or becomes your proxy by default),

by completing the attached proxy form, you will expressly authorise the Chair to exercise your proxy on Resolution 1 even though it is connected directly or indirectly with the remuneration of a member of Key Management Personnel for the Company, which includes the Chair. You should be aware that the Chair of the Meeting intends to vote undirected proxies in favour of the adoption of the Remuneration Report.

Alternatively, if you appoint the Chair as your proxy, you can direct the Chair to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box on the proxy form.

As a further alternative, Shareholders can nominate as their proxy for the purposes of Resolution 1, a proxy who is not a member of the Company's Key Management Personnel or any of their Closely Related Parties. That person would be permitted to vote undirected proxies (subject to the Listing Rules).

Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1, noting that each Director has a material personal interest in his own remuneration from the Company. The Chair intends to vote undirected proxies in favour of Resolution 1.

RESOLUTION 2

RE-ELECTION OF MR NICHOLAS HARDING AS A DIRECTOR

In accordance with Listing Rule 14.4 and clause 6.1 of the Company's Constitution, at every Annual General Meeting, one third of the Directors for the time being must retire from office and are eligible for reelection. The Directors to retire are to be those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement. This rule does not apply to the Managing Director.

The Directors presently in office are Mr Rhoderick Grivas, Mr James Marsh, Mr Nicholas Harding, Mr Joseph Ranford and Mr Andrew Shearer.

Mr Harding was originally elected a Director by Shareholders at the 2015 AGM. He is the longest in office since his last re-appointment at the 2017 AGM and will retire by rotation at the Annual General Meeting. Mr Harding is eligible for, and has offered himself for, re-election.

The resume of Mr Harding is as follows:

Nicholas J Harding BA (Acc), Grad Dip (Acc), Grad Dip (App Fin), Grad Dip (Corp Gov), FCPA, F Fin, AGIA, ACIS

Nick Harding is a qualified accountant and company secretary with over 30 years' experience in the resources industry. He is a Fellow of CPA Australia, a Fellow of the Financial Services Institute of Australasia and a member of the Governance Institute of Australia and possesses qualifications in accounting, finance and corporate governance.

Mr Harding has held various senior roles with WMC Resources Limited, Normandy Mining Limited and Newmont Australia Limited. At WMC Resources over a period of 14 years to 1999 he held a number of senior management roles at both minesites and regional offices in Western Australia and South Australia including five years as Chief Financial Officer for Olympic Dam Operations, and four years as Chief Accountant and Business Planning Manager for the Copper Uranium Division.

In eight years from 1999 to 2006 at Normandy Mining and then Newmont Australia following the takeover by Newmont of Normandy, Mr Harding held the positions of General Manager Operations Finance and General Manager Planning and Analysis which respectively had responsibilities for accounting, finance and budgeting for 14 mining operations in Australia and overseas.

The Board considers Mr Harding's substantial senior mine financial and commercial experience will be of significant benefit to the Company as it progresses the Great White Kaolin Project into production.

Directors' Recommendation

The Directors (excluding Mr Harding) unanimously recommend that Shareholders vote in favour of Resolution 2. The Chair intends to vote undirected proxies in favour of Resolution 2.

RESOLUTION 3

ELECTION OF MR JOSEPH RANFORD AS A DIRECTOR

Listing Rule 14.4 and clause 9.2 of the Company's Constitution require that any Director appointed by the Board, either to fill a casual vacancy or as an addition to the Board, must retire at the next Annual General Meeting following their appointment, but is eligible for re-election at that Annual General Meeting.

Mr Joseph Ranford has been appointed as an addition to the Board since the Company's 2019 Annual General Meeting and retires as a Director pursuant to Listing Rule 14.4 and clause 9.2 of the Company's Constitution. Mr Ranford is eligible for, and has offered himself for, re-election. He initially joined the Board as a Non-Executive Director on 8 April 2020 and then from early June moved into the Executive position of Operations Director primarily responsible for project management of the Great White Kaolin Project through the final feasibility and mining approval phases to a decision to mine and subsequent commencement of operations.

The resume of Mr Ranford is as follows:

Joseph F Ranford BEng (Mining), MBA, FAusIMM, GAICD

Joe Ranford is a mining engineer with significant experience gained in senior management roles he has held with both domestic and international mining companies. Most recently he held the role as Chief Operating Officer for Nordic Gold Inc., a Canadian based company which was the previous owner of the Laiva Gold Mine in Finland, where he re-established mining operations and brought the project back into production from care and maintenance. Prior to that time Mr Ranford was Operations Manager for Terramin Australia Limited where he managed all operational and technical aspects of the Angas Zine Mine and championed the evaluation

and approval processes for the Bird in Hand Gold Project, both in the community sensitive Adelaide Hills district of South Australia.

The Board considers Mr Ranford's experience gained in bringing mining operations into production and his considerable knowledge of the South Australian mining approval processes along with understanding and managing key stakeholder engagements will be invaluable in assisting to move the Great White Kaolin Project through the feasibility and approval phases and into production.

Directors' Recommendation

The Directors (excluding Mr Ranford) unanimously recommend that Shareholders vote in favour of Resolution 3. The Chair intends to vote undirected proxies in favour of Resolution 3.

RESOLUTION 4 APPROVAL OF ISSUE OF PERFORMANCE RIGHTS TO OPERATIONS DIRECTOR MR JOSEPH RANFORD

As part of his remuneration package following his appointment as Operations Director, Mr Ranford was to receive an issue of unlisted options to be issued either to himself or his nominee. The options were to be issued by the Company to Mr Ranford as a once-off incentive in two tranches; one being a total of 11,000,000 unlisted options having an exercise price of \$0.064 and expiry date of 28 November 2022, and a second tranche of 5,500,000 unlisted options having an exercise price of \$0.075 and expiry date of 28 November 2023 and which will vest on 28 November 2020 if Mr Ranford is still a Director at that time. These unlisted options have the same terms to those issued to Executive Director Mr Harding that were approved at the 2019 Annual General Meeting, being the unlisted 50% and 75% options.

The issue of options as part of the remuneration package for Directors is an established practice of junior listed companies and has the benefit of conserving cash whilst properly rewarding their work. The Board considered that this level of remuneration for Mr Ranford was consistent with the corporate remuneration of similar Directors at similar companies.

However, due to changing circumstances, the Company and Mr Ranford have agreed to substitute the options that were to have been issued to Mr Ranford, with a proposed issue of Performance Rights. The Performance Rights to be issued to Mr Ranford are of equivalent value to the unlisted options which Mr Ranford was to have received under his remuneration package. A closing share price of \$0.15 on 12 October 2020 was used to determine the substitute Performance Rights to be issued.

In determining the number of Performance Rights to issue to Mr Ranford, the Board has considered the potential tax implications of the options under the previous remuneration package. The Board also had regard to the different nature of the Performance Rights and the options, as the Performance Rights have no exercise price but instead have qualitative performance hurdles to be met, whereas the options were dependent on share price. The Board also considered the duration of Mr Ranford's tenure as a Director to this date and the Company's position moving forward in proposing the amended remuneration for Mr Ranford under this Resolution.

The proposed issue of Performance Rights to Mr Ranford is to substitute the options he was to be issued as part of his remuneration package. The purpose of the proposed issue of Performance Rights to Mr Ranford is to more closely align his interests with the interests of Shareholders, and ensure his remuneration is both competitive and aligned with market conditions. The proposed issue of Performance Rights also encourages Mr Ranford to achieve his performance goals, enabling the Company to continue to grow.

This Resolution 4 seeks Shareholder approval required by Listing Rule 10.11 to approve the issue of Performance Rights to Mr Ranford, as a Director. Listing Rule 10.11 prohibits the issue of securities by the Company to any of its Directors without prior Shareholder approval.

The following information is provided in accordance with Listing Rule 10.13 for the purposes of the Shareholder approval sought pursuant to Listing Rule 10.11. Details relating to Mr Ranford's remuneration and current shareholding are contained in the Remuneration Report which is included in the Directors' Report of the 2020 Annual Report and available to view online at the Company's website www.andromet.com.au

The Performance Rights will be issued to Mr Joseph Ranford on the following terms:

- a) Mr Ranford is an Executive Director of the Company. Upon vesting of the Performance Rights, the underlying Shares will be issued to Mr Ranford or an associate of Mr Ranford nominated by him;
- b) The following table outlines the proposed Performance Rights to be issued to Mr Ranford;

| Tranche Number | Number of Performance Rights to be issued | Performance Hurdle for Issue |
|----------------|---|---|
| Tranche 1 | 3,500,000 | Completion of the Definitive Feasibility Study for the Great White Kaolin Deposit |
| Tranche 2 | 3,500,000 | Submission of a Mining Lease application for the Great White Kaolin Deposit |
| Tranche 3 | 2,000,000 | Approval of the Mining Lease Application for the Great White Kaolin Deposit |

- c) Each of the Performance Rights to be issued to Mr Ranford has a term of 2 years;
- d) The Performance Rights will be granted for no cash consideration and the Shares to be issued upon vesting of the Performance Rights will be issued for no cash consideration;
- e) The Performance Rights to be allotted to Mr Ranford will be issued within one month of the Annual General Meeting;
- f) A voting exclusion statement has been included in the Notice of the Annual General Meeting.

For the avoidance of doubt, the proposed issue of Performance Rights to Mr Ranford under this resolution is not related to the Employee Incentive Plan or the approval of the issue of Performance Rights to the Directors under the Employee Incentive Plan, the subject of Resolutions 5 and 6 respectively.

Directors' Recommendation

The Directors (other than Mr Ranford) recommend that Shareholders vote in favour of Resolution 4. The Chair intends to vote undirected proxies in favour of Resolution 4.

RESOLUTION 5 APPROVAL OF EMPLOYEE INCENTIVE PLAN

Background

The Board has adopted the Employee Incentive Plan to enable the Company to issue Options or Performance Rights (and Shares on exercise of Options or conversion of Performance Rights) to eligible participants being employees (full and part-time), Directors, relevant contractors, casual employees and prospective parties in these capacities.

The Employee Incentive Plan is intended to provide an opportunity to eligible participants to participate in the Company's future growth. Further, the Employee Incentive Plan acts as a mechanism to ensure the interests of Shareholders and the management and employees of the Company are aligned.

A copy of the Employee Incentive Plan will be made available for inspection at the AGM. A summary of the Employee Incentive Plan is set out in Annexure 1.

The Employee Incentive Plan is in accordance with ASIC class order CO 14/1000 which expanded the class of financial products that could be offered (i.e. performance or incentive rights can be issued as well as shares and options) and expanded the categories of persons who can participate (i.e. certain contractors and casual employees).

Regulatory Requirements

Shareholder approval is not required under the Corporations Act or the Listing Rules for the operation of the Employee Incentive Plan. However, Shareholder approval is being sought to allow the Company to rely on an exception to the calculation of the placement limits imposed by Listing Rules 7.1 and 7.1A on the number of securities that may be issued without shareholder approval. Listing Rule 7.2 exception 13(b) provides that Listing Rules 7.1 and 7.1A do not apply to an issue of securities under an employee incentive scheme that has been approved by Shareholders, where the issue of securities is within 3 years from the date of Shareholder approval of the issue of securities under the employee incentive scheme.

The Employee Incentive Plan participation is limited to Directors, management and employees of the Company. If an issue is to be made to Directors then separate Shareholder approval will need to be obtained, which the Company has sought under Resolution 6.

A summary of the key terms of the Employee Incentive Plan is shown in Annexure 1. As this is a new plan being put to Shareholders, no securities have been issued under it to date. A maximum of 90,361,608 securities would be available to be issued under the plan if approved by Shareholders, determined as 5% of the ordinary shares on issue at 19 October 2020.

The passing of Resolution 5 will allow the Company to issue securities for the benefit of participants of the Employee Incentive Plan whilst preserving the Company's placement limits for issuing securities, and provide flexibility in the manner in which the Employee Incentive Plan is managed.

If this Resolution 5 is not passed, the Company may still issue securities to key personnel other than Directors on the terms as set out in Annexure 1, however those issues will count towards the Company's 15% placement capacity under Listing Rule 7.1.

Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5. The Chair intends to vote undirected proxies in favour of Resolution 5.

RESOLUTION 6 APPROVAL OF ISSUE OF PERFORMANCE RIGHTS TO DIRECTORS UNDER EMPLOYEE INCENTIVE PLAN

Resolution 6 seeks Shareholder approval to issue Performance Rights as an incentive to each of the Directors of the Company (being Mr Rhoderick Grivas, Mr James Marsh, Mr Nicholas Harding, Mr Joseph Ranford and Mr Andrew Shearer) under the Employee Incentive Plan, which is the subject of Resolution 5.

The final number of shares (if any) granted on conversion of the Performance Rights is dependent on the commencement of mining at the Great White Deposit (or equivalent deposit) within the term of the Rights which is 3 years from the date of issue.

Regulatory Requirements

Listing Rule 10.14 provides that a company must not issue securities to a Director of the Company under an employee incentive scheme unless the issue has been approved by Shareholders by ordinary resolution. If approval is given by Shareholders under Listing Rule 10.14, separate Shareholder approval is not required under Listing Rule 10.11.

Approval pursuant to Listing Rule 7.1 is not required in order to issue securities to each of the Directors under this Resolution 6 as approval is being obtained under Listing Rule 10.14. Accordingly, the issue of the securities to the Director will not be included in the 15% calculation of the Company's placement capacity pursuant to Listing Rule 7.1.

Under Resolution 6, the Company seeks approval from Shareholders for the issue of Performance Rights to each of the Directors who is a related party of the Company for the purposes of Listing Rule 10.14.

The following information is provided in accordance with Listing Rule 10.15 for the purposes of the Shareholder approval sought pursuant to Listing Rule 10.14:

- a) The following table summarises the maximum number of Performance Rights which may be issued to each of the Directors named below or their respective nominees, under the Employee Incentive Plan in 2020:

| Director | Number of Performance Rights to be issued |
|---------------------|---|
| Mr Rhoderick Grivas | up to 2.25 million |
| Mr James Marsh | up to 3.25 million |
| Mr Nicholas Harding | up to 3.25 million |
| Mr Joseph Ranford | up to 3.25 million |
| Mr Andrew Shearer | up to 2.25 million |

- b) Each of the persons named are Directors of the Company. Upon vesting of the Performance Rights, the underlying Shares will be issued to each Director or their nominated associate;
- c) Each of the Performance Rights to be issued to Directors has a term of 3 years with a performance hurdle of commencement of mining at the Great White Deposit or equivalent deposit;
- d) The Performance Rights will be granted for no cash consideration and the Shares to be issued upon vesting of the Performance Rights will be issued for no cash consideration;
- e) The Performance Rights to be allotted to Directors will be issued within one month of the Annual General Meeting;
- f) No prior issues have occurred under the Employee Incentive Plan;
- g) There are no loans associated with the acquisition of the Performance Rights;
- h) Any additional persons specified in Listing Rule 10.14 who become entitled to participate in the Employee Incentive Plan after Resolution 6 is approved and who were not named in the Notice Meeting will not participate until approval is obtained under Listing Rule 10.14;
- i) A voting exclusion statement has been included in the Notice of the Annual General Meeting.

Additional information

REMUNERATION

The issue of Performance Rights to each of the Directors is in accordance with the roles undertaken by each of the Directors. The purpose of the issue of the Performance Rights is to ensure that each of the Directors has an appropriate remuneration package and to provide an incentive for ongoing commitment and service to the Company. The issue of Performance Rights also enables the interests of Shareholders to be aligned with the interests of each of the Directors, and to incentivise achievement of each of their respective performance hurdles.

The number of Performance Rights to be issued to each of the Directors was determined with consideration of their respective functions and roles performed. The Board considers the number of Performance Rights and their

particular terms is appropriate given their respective remuneration arrangements and interests in the Company, as outlined below.

Given the Company's current circumstances, the Directors consider that the proposed issue of Performance Rights is a cost effective and efficient reward and incentive for each of the Directors, as opposed to alternative forms of incentive, such as the payment of cash compensation.

The current remuneration packages received by the Directors are set out in the following table:

| Director | Total Remuneration Details |
|---------------------|--|
| Mr Rhoderick Grivas | Annual Director fees of \$65,000pa plus 9.5% superannuation |
| Mr James Marsh | Annual Salary of \$275,000pa plus 9.5% superannuation |
| Mr Nicholas Harding | Daily rate of \$920 per day |
| Mr Joseph Ranford | Monthly rate of \$20,000 for 3 days per week increasing to \$25,000 for 3 days per week from 1 December 2020 |
| Mr Andrew Shearer | Annual Director fees of \$45,000pa plus 9.5% superannuation |

DILUTION

The passing of this resolution would have the effect of granting in total to the Directors (or any of their nominees) up to a total of 14.25 million Performance Rights.

If any of the Performance Rights vest on satisfying the relevant performance conditions and are converted, the effect would be to dilute the Shareholding of the existing Shareholders. If all of the 14.25 million Performance Rights vest and are converted into Shares, the effect would be to dilute the shareholder of the existing Shareholders by approximately 0.8% based on the total current number of issued Shares, which is 1,807,232,165 at 19 October 2020.

The actual dilution will depend on the extent of any further equity raised by the Company (if any) and whether any Options are exercised.

EXISTING RELEVANT INTERESTS

At the date of this Notice, each of the Directors of the Company have the following relevant interests in any issued securities of the Company:

| Director | Fully Paid Ordinary Shares | Listed Options | Unlisted Options |
|---------------------|----------------------------|----------------|------------------|
| Mr Rhoderick Grivas | 5,199,055 | 10,245,159 | 11,500,000 |
| Mr James Marsh | 2,500,000 | - | 32,000,000 |
| Mr Nicholas Harding | 6,600,991 | - | 23,500,000 |
| Mr Joseph Ranford | - | - | - |
| Mr Andrew Shearer | 5,361,024 | 5,899,998 | 11,500,000 |

OTHER

The Directors do not consider that there are significant opportunity costs to the Company or benefits foregone in granting the Performance Rights.

For accounting purposes, any Performance Rights will be recognised as an expense.

Details of any Performance Rights issued under the Employee Incentive Plan will be published in the Company's Annual Report in the period in which they are issued, along with a statement that approval was obtained under Listing Rule 10.14.

Directors' Recommendation

As the Directors have an interest in the outcome of Resolution 6, the Directors make no voting recommendation to Shareholders as to how to vote in relation to Resolution 6.

RESOLUTION 7 APPROVAL OF NEW COMPANY CONSTITUTION

The Company proposes to repeal and replace the current constitution with a new constitution (Proposed Constitution). The current constitution was adopted in November 2000, which pre-dates the principal corporate legislation in Australia, the Corporations Act 2001. The Proposed Constitution reflects the numerous amendments to the Corporations Act and ASX Listing Rules since the current constitution was adopted. The Proposed Constitution also reflects the significant development of the Company since November 2000, as well as the technological changes which have occurred.

Under the Corporations Act, a company may elect to either amend parts of its constitution or replace the entire document. As there have been significant changes to the regulatory regime (through the introduction of the Corporations Act and changes to the ASX Listing Rules) since the adoption of the current constitution, the Directors consider that it is preferable in the circumstances to repeal the existing document and replace it with the Proposed Constitution, rather than to amend and insert specific updates. If this Resolution 7 is passed, the current constitution will be repealed in its entirety and replaced with the Proposed Constitution.

The Proposed Constitution is available for viewing at the Company's registered office at 69 King William Road, Unley, South Australia or you can contact the Company Secretary to request a copy. A copy of the Proposed Constitution, signed by the Chairman for the purposes of identification, will be tabled at the Meeting.

The Proposed Constitution contains a number of changes to the Company's current constitution, many of which are relatively minor in nature. A summary of the material differences between the current constitution and the Proposed Constitution is set out in Annexure 2 to this Notice of Meeting. This overview is not exhaustive and does not identify all differences between the current and

Proposed Constitution.

There have been no fundamental changes to shareholders' rights under the Proposed Constitution, such as the right to vote at a general meeting or to participate in dividends.

The Proposed Constitution has been reviewed and approved by the ASX.

Directors' Recommendation

The Directors unanimously recommend that shareholders vote in favour of Resolution 7. The Chair intends to vote undirected proxies in favour of Resolution 7.

RESOLUTION 8 APPROVAL OF PROPORTIONAL TAKEOVER PROVISIONS

As part of the process to adopt the Proposed Constitution in Resolution 7 of this Notice of Meeting, it is proposed to insert clause 25 (as set out below), which contains similar proportional takeover approval provisions to those contained in clause 164 of the Company's current Constitution.

As Shareholder approval of provisions relating to proportional takeovers extends for a three year period, the provisions of clause 164 of the Company's current Constitution ceased to be operative some time ago.

Given that current clause 164 cannot be retained if the Proposed Constitution is adopted by Resolution 7 and that, while similar, the proposed new proportional takeover provisions in clause 25 are not identical to the provisions in the Company's current Constitution, the Company considers it appropriate to obtain Shareholder approval at the 2020 Annual General Meeting for the insertion of the provisions into the Proposed Constitution. Please refer to Annexure 2 for a list of key differences between the current Constitution and the Proposed Constitution.

The Corporations Act requires the Company to provide Shareholders with an explanation of the proposed proportional takeover approval provisions, as set out below, so that Shareholders may make an informed decision on whether to support or oppose the resolution.

What is a proportional takeover bid, and why do we need the proportional takeover approval provisions?

A proportional takeover bid includes the bidder offering to buy a proportion only of each Shareholder's shares in the Company. This means that control of the Company may pass without members having the chance to sell all their shares to the bidder. It also means the bidder may take control of the Company without paying an adequate amount for gaining control.

In order to deal with this possibility, the Company may provide in its Constitution that:

- in the event of a proportional takeover bid being made for shares in the Company, members are required to vote by ordinary resolution and collectively decide whether to accept or reject the offer; and
- the majority decision of the Company's members will be

binding on all individual members.

The Directors consider that members should be able to vote on whether a proportional takeover bid ought to proceed given such a bid might otherwise allow control of the Company to change without members being given the opportunity to dispose of all of their shares for a satisfactory control premium. The Directors also believe that the right to vote on a proportional takeover bid may avoid members feeling pressure to accept the bid even if they do not want it to succeed.

What is the effect of the proportional takeover approval provisions?

If a proportional takeover bid is made, the Directors must ensure that Shareholders vote on a resolution to approve the bid more than 14 days before the bid period closes.

The vote is decided on a simple majority. Each person who, as at the end of the day on which the first offer under the bid was made, held bid class Shares is entitled to vote, but the bidder and its associates are not allowed to vote. If the resolution is not passed, transfers which would have resulted from the acceptance of a bid will not be registered and the bid will be taken to have been withdrawn. If the bid is approved (or taken to have been approved), the transfers must be registered if they comply with the Corporations Act and the Company's Constitution.

The proportional takeover approval provisions do not apply to full takeover bids and only apply for three years after the date of approval. The provisions may be renewed, but only by a special resolution.

Potential advantages and disadvantages

While the insertion of the proportional takeover provisions will allow the Directors to ascertain members' views on a proportional takeover bid, it does not otherwise offer any advantage or disadvantage to the Directors who remain free to make their own recommendation as to whether the bid should be accepted.

The provisions will ensure that all members have an opportunity to study a proportional bid proposal and vote on the bid at a general meeting. This is likely to ensure a potential bidder structures its offer in a way which is attractive to a majority of members, including appropriate pricing. Similarly, knowing the view of the majority of members may help individual members assess the likely outcome of the proportional takeover when determining whether to accept or reject the offer.

However, it is also possible that the inclusion of such provisions in the Constitution may discourage proportional takeover bids and may reduce any speculative element in the market price of the Company's shares arising from the possibility of a takeover offer being made. The inclusion of the provisions may also be considered to constitute an unwarranted additional restriction of the ability of members to

freely deal with their shares.

The Board of Directors considers that the potential advantages for members of the proportional takeover approval provisions outweigh the potential disadvantages.

At the date this statement was prepared, no Director is aware of a proposal by a person to acquire, or to increase, a substantial interest in the Company.

If this resolution is approved, the proportional takeover provisions will be inserted into the Proposed Constitution adopted under Resolution 7 and will take effect from the close of the meeting.

Clause 25 of the Proposed Constitution follows:

25. Proportional Takeovers

25.1 Registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under a proportional takeover bid is prohibited unless and until an Approving Resolution approving the proportional takeover bid is passed.

25.2 A person (other than the bidder or an associate of the bidder) who, as at the end of the day on which the first offer under the proportional takeover bid was made, held bid class Shares is entitled to:

- a) vote on a Approving Resolution; and*
- b) has one vote for each bid class Share held.*

25.3 Where offers have been made under a proportional takeover bid, the Directors must ensure that an Approving Resolution is voted on at a meeting of the persons described in clause 25.2 before the Approving Resolution Deadline.

25.4 An Approving Resolution is passed if more than 50% of the votes cast on the resolution are cast in favour of the resolution, and otherwise is taken to have been rejected.

25.5 The provisions of this Constitution that apply to a general meeting of the Company apply, with such modifications as the circumstances require, to a meeting that is called under this clause as if the meeting was a general meeting of the Company.

25.6 If an Approving Resolution to approve the proportional takeover bid is voted on in accordance with this clause before the Approving Resolution Deadline, the Company must, on or before the Approving Resolution Deadline, give:

- a) the bidder; and*
- b) each relevant financial market,*
a written notice stating that an Approving Resolution to approve the proportional takeover bid has been voted on and whether it was passed or rejected.

25.7 If no resolution has been voted on in accordance with this clause as at the end of the day before the Approving Resolution Deadline, a resolution to approve the proportional takeover bid is taken, for the purposes of this clause, to have been passed in accordance

with this clause.

25.8 Under the Corporations Act, this clause 25 automatically ceases to have effect at the end of three years beginning:

- a) where this clause 25 has not been renewed in accordance with the Corporations Act, on the date that this clause 25 was adopted by the Company; or
- b) where this clause 25 has been renewed in accordance with the Corporations Act, on the date those rules were last renewed.

Directors' Recommendation

The Directors unanimously recommend that shareholders vote in favour of Resolution 8. The Chair intends to vote undirected proxies in favour of Resolution 8.

RESOLUTION 9 APPROVAL OF 10% PLACEMENT FACILITY

Background to Resolution 9

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the Annual General Meeting (10% Placement Facility). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1. An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300 million or less. The Company's market capitalisation as at 19 October 2020 was \$234.9 million (1,807,232,165 issued shares at \$0.13 opening price per share). Further, the Company is not included in the S&P/ASX 300 Index and is therefore an eligible entity for the purposes of Listing Rule 7.1A.

The Company is now seeking Shareholder approval by way of a Special Resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2. It is the Company's intention that funds received under the 10% Placement Facility will primarily be used to continue to advance the high-quality Great White Kaolin Project in South Australia through final feasibility studies, mining lease approval, and securing of binding offtake agreements towards ultimate development and production, in addition to potentially undertaking further transactions to acquire new assets or investments should the Directors determine this to be in the best interests of the Company, and supplementing the Company's working capital requirements. Consequently, the Directors have resolved to seek Shareholder approval for the 10% Placement Facility, for the 12 month period from the date of this Annual General Meeting.

Description of Listing Rule 7.1A

- a) Shareholder approval
The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a Special Resolution at an Annual General Meeting.
- b) Equity Securities
Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of this Notice, has on issue three classes of Equity Securities being Listed Ordinary Shares, Listed Options and Unlisted Options.

- c) Formula for calculating 10% Placement Facility
Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12 month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

- A** is the number of shares on issue 12 months before the date of issue or agreement:
- 1) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
 - 2) plus the number of partly paid shares that became fully paid in the 12 months;
 - 3) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without Shareholder approval;
 - 4) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

- D** is 10%
- E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or 7.4.

Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 1,807,232,165 Shares and therefore has a capacity to issue:

- 1) 271,084,824 Equity Securities under Listing Rule 7.1; or
- 2) subject to Shareholder approval being obtained under Resolution 9, 180,723,216 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2.

Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must not be less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- 1) the date on which the price at which the Equity Securities are to be issued is agreed; or
- 2) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (1) above, the date on which the Equity Securities are issued.

The Company may also issue Equity Securities under the 10% Placement Facility as consideration for the acquisition of a new asset, in which case the Company will release to the market a valuation of those Equity Securities that demonstrates that the issue price of the securities complies with the rule above. Since it is not known at this time if any securities will be issued during the 12 month period under the 10% Placement Facility, it is not possible to definitively state the minimum issue price, except to confirm that the issue price will be calculated in accordance with the above formula.

10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the earlier to occur of:

- 1) the date that is 12 months after the Annual General Meeting at which the approval is obtained; or
- 2) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),
- 3) or such longer period if allowed by ASX (10% Placement Period).

Listing Rule 7.1A

The effect of Resolution 9 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's placement capacity under Listing Rule 7.1.

Resolution 9 is a Special Resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- a) the Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:
 - 1) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - 2) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (1) above, the date on which the Equity Securities are issued.
- b) if Resolution 9 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, existing Shareholders may be subject to both economic and voting power dilution. There is a risk that:
 - 1) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting;
 - 2) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date; and
 - 3) the Equity Securities are issued as part of consideration for the acquisition of a new asset, in which case, no funds will be raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice. The table also shows:

- 1) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or script issued under a takeover) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- 2) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

| Variable 'A' in Listing Rule 7.1A.2 | | Dilution | | |
|--|---------------------|--|-----------------------|--|
| | | \$0.065 50% decrease in issue price | \$0.13 Issue price | \$0.26 100% increase in issue price |
| Current Variable A 1,807,232,165 Shares | 10% voting dilution | 180,723,216 Shares | 180,723,216 Shares | 180,723,216 Shares |
| | Funds raised | \$11,747,009 | \$23,494,018 | \$46,988,036 |
| 50% increase in current Variable A 2,710,848,247 Shares | 10% voting dilution | 271,084,824 Shares | 271,084,824 Shares | 271,084,824 Shares |
| | Funds raised | \$17,620,513 | \$35,241,027 | \$70,482,054 |
| 100% increase in current Variable A 3,614,464,330 Shares | 10% voting dilution | 361,446,433 Shares | 361,446,433 Shares | 361,446,433 Shares |
| | Funds raised | \$23,494,018 | \$46,988,036 | \$93,976,072 |

The table has been prepared on the following assumptions:

- i) the Company issues the maximum number of Equity Securities available under the 10% Placement Facility;
 - ii) no Listed or Unlisted Options (including any Listed or Unlisted Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
 - iii) the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;
 - iv) the table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the meeting;
 - v) the table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1. Dilution experienced by Shareholders may be greater if issues have been made utilising the capacity in Listing Rule 7.1 as well;
 - vi) the issue of Equity Securities under the 10% Placement Facility consists only of Shares;
 - vii) the issue price is \$0.13, being the opening price of the Shares on ASX on 19 October 2020.
- c) the Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 9 for the issue of Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- d) the Company may only seek to issue the Equity Securities for cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expenses associated with such acquisitions or investments), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A (4) and 3.10.5A upon issue of any Equity Securities.

- e) the Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
- i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
 - ii) the effect of the issue of the Equity Securities on the control of the Company;
 - iii) the financial situation and solvency of the Company; and
 - iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company acquires new assets, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new assets.

If Resolution 9 is approved by Shareholders, the Company may issue Equity Securities under the 10% Placement Facility during the Placement Period as and when the circumstances of the Company require.

- f) the Company previously obtained Shareholder approval under Listing Rule 7.1A at the 2019 Annual General Meeting. The following Equity Securities have been issued during the preceding 12 months:

| Number Issued | Class of Security | Issued to | Price | Consideration | Comment |
|---------------|-------------------|--------------------------|----------|---------------|---|
| 402,576 | Ordinary Shares | Non-Executive Director | \$0.0435 | \$17,500 | Settlement of deferred Director fees |
| 359,072,078 | Ordinary Shares | Certain ADN shareholders | \$0.012 | \$4,308,865 | Exercise of listed options and subsequent issue of shares |
| 2,500,000 | Ordinary Shares | Certain ADN shareholders | \$0.012 | \$30,000 | Exercise of unlisted options and subsequent issue of shares |
| 750,000 | Ordinary Shares | Certain ADN shareholders | \$0.064 | \$48,000 | Exercise of unlisted options and subsequent issue of shares |

- g) a total of \$4,404,365 cash has been received through the issue of Equity Securities in the preceding 12 months since the 2019 Annual General Meeting. Over that time approximately \$3.36 million has been spent on exploration and evaluation activities and \$0.9 million on administration and corporate overheads. The remaining proceeds available, in addition to the opening cash position at the time of the 2019 AGM will predominantly be used to advance the Company's Great White Kaolin Project in addition to meeting ongoing corporate overheads.
- h) a total of 362,724,654 Ordinary Shares have been issued in the 12 months preceding the date of the 2019 Annual General Meeting which represents 25.1% of the total number of Equity Securities on issue at the time of the previous Annual General Meeting.
- i) a voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not formed any specific intention to issue any further additional Shares or other securities pursuant to Listing Rules 7.1 and 7.1A, and has not approached any particular existing Shareholder or any other person with a view to participating in a further issue of the Equity Securities. In these circumstances (and in accordance with Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that a person will participate in the proposed issue. Therefore, no existing Shareholder's votes will be excluded under the voting exclusion in the Notice of Meeting.

Directors' Recommendation

Resolution 9 is a special Resolution. For a special Resolution to be passed, at least 75% of the votes cast by Shareholders entitled to vote on Resolution 9 must be in favour of this Resolution.

The Board considers that the approval of the issue of the 10% Placement Facility described above is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of securities permitted under Listing Rule 7.1A in the next 12 months (without further Shareholder approval), should it be required. At the date of this Notice, the Company has no plans to use the Placement Facility should it be approved.

Accordingly, the Directors unanimously recommend that Shareholders vote in favour of special Resolution 9 to provide the Company with additional capacity to issue securities. The Chair intends to vote all undirected proxies in favour of Resolution 9.

Glossary

In this Explanatory Memorandum, the following terms have the following unless the context otherwise requires:

| | |
|-----------------------------------|--|
| "ASX" | means ASX Limited ACN 008 624 691 or the securities exchange operated by ASX Limited (as the context requires); |
| "Board" | means the Board of Directors from time to time. |
| "Closely Related Party" | of a member of the Key Management Personnel means: a) a spouse or child of the member; b) a child of the member's spouse; c) a dependant of the member or of the member's spouse; d) anyone else who is one of the member's family and may be expected to influence the a) member or be influenced by the member, in the member's dealings with the Company; or e) f) a company that the member controls. |
| "Company" | means Andromeda Metals Limited (ACN 061 503 375). |
| "Constitution" | means the constitution of the Company from time to time. |
| "Corporations Act" | means the Corporations Act 2001 (Cth). |
| "Directors" | means the Directors of the Company from time to time and "Director" means any one of them. |
| "Equity Securities" | has the meaning given to that term in the Listing Rules. |
| "Explanatory Memorandum" | means this explanatory memorandum. |
| "Key Management Personnel" | means those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any Director (whether executive or otherwise). |
| "Listing Rules" | means the listing rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the official list of ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX. |
| "Meeting" | has the meaning given in the introductory paragraph of the Explanatory Memorandum. |
| "Related party" | has the meaning given to that term in Section 228 of the Corporations Act. |
| "Resolution" | means a resolution contained in this Notice of Meeting. |
| "Share" | means a fully paid ordinary share in the capital of the Company. |
| "Shareholder" | means a holder of Shares in the Company. |
| "Trading Day" | means a day determined by ASX to be a trading day in accordance with the Listing Rules. |
| "VWAP" | means Volume Weighted Average Price of the Company's ASX-listed Shares trading under the code ADN. |

Annexure 1

SUMMARY OF TERMS OF EMPLOYEE INCENTIVE PLAN (RESOLUTION 5)

- 1. Purpose** The purpose of the Employee Incentive Plan is to provide an incentive for eligible participants to participate in the future growth of the Company and to offer Options or Performance Rights to assist with the reward, retention, motivation and recruitment of eligible participants.
- 2. Eligible Participants** Eligible participants are any full or part-time employee of the Company or a subsidiary, Directors (executive and non-executive), relevant contractors and casual employees and prospective parties in these capacities ("**Eligible Participants**").
- 3. Offers** Subject to any necessary Shareholder approval, the Board may offer Options or Performance Rights to Eligible Participants for nil consideration.
- 4. Expiry Date** The expiry date of any Options or Performance Rights will be determined by the Board.
- 5. Options** An Option may only be exercised after it has vested and before its expiry date. The Board may determine the conditions upon the vesting of the Options at its discretion. By way of example, the Board may impose Share price and/or continuous service vesting hurdles.
An Option lapses upon various events including a vesting condition not being satisfied, a participant ceasing to be an Eligible Participant (except in certain circumstances) or upon misconduct by a participant.
Each Option entitles the holder to one fully paid ordinary share upon exercise.
- 6. Performance Rights** A Performance Right may only be exercised after it has vested and before its expiry date. The Board may determine the conditions upon the vesting of the Performance Rights at its discretion. By way of example, the Board may impose Share price and/or continuous service vesting hurdles.
A Performance Right lapses upon various events including a vesting condition not being satisfied, a participant ceasing to be an Eligible Participant (except in certain circumstances) or upon misconduct by a participant.
Each Performance Right entitles the holder to one fully paid ordinary share upon exercise.
- 7. Transferability and quotation** An Option or Performance Right may not be transferred without the approval of the Board or by force of law. Quotation of the Options or Performance Rights on the ASX will not be sought. However, the Company will apply for official quotation of Shares issued on vesting of the Options or Performance Rights.
- 8. No voting or dividend rights** The Options or Performance Rights are personal and do not confer any entitlement to attend or vote at meetings, any entitlement to dividends or any entitlement to participate in any return of capital unless the underlying Shares have been issued.
- 9. No participation rights** The Options or Performance Rights do not entitle the holder to participate in the issue of securities unless the underlying Shares have been issued before the record date for determining entitlements.
- 10. Administration of the Employee Incentive Plan** The Employee Incentive Plan will be administered under the directions of the Board and the Board may determine procedures for the administration of the Employee Incentive Plan as it considers appropriate at its absolute discretion.
- 11. Operation** The operation of the Employee Incentive Plan is subject to the Listing Rules and the Corporations Act.

Annexure 2

SUMMARY OF DIFFERENCES BETWEEN CURRENT CONSTITUTION AND PROPOSED CONSTITUTION

A summary of the material differences between the current Constitution and the Proposed Constitution is set out below. This summary is not exhaustive and does not identify all of the differences.

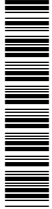
| SUBJECT | SUMMARY OF DIFFERENCE |
|---------------------------------------|---|
| Class meetings | <p>The Proposed Constitution changes the quorum and poll requirements for separate class meetings by:</p> <ul style="list-style-type: none">making the quorum two members holding or representing by proxy, attorney or representative not less than 5% of the shares in the class, or if there is one holder of shares in the class, the holder or representative of that holder; andproviding that a poll can be demanded by any five holders, or holders of shares of the class present in person or by proxy, attorney or representative who can vote not less than 5% of all votes held by members of that class. <p>This is in contrast to the current Constitution which provides that the quorum and poll requirements for separate class meetings are:</p> <ul style="list-style-type: none">for a quorum – two persons holding or representing by proxy at least one-quarter of the shares of the class or, if there is one holder of shares of class, that person; anda poll can be demanded by any holder of shares of the class present in person or by proxy. |
| Restricted securities | <p>From 1 December 2019, ASX now applies a two-tier escrow regime where ASX can require certain more significant holders of Restricted Securities (as that term is defined in the ASX Listing Rules) and their controllers to execute a formal escrow agreement in the form of Appendix 9A of the ASX Listing Rules, as was previously the case. However, for less significant holdings, ASX will instead permit entities to rely on a provision in their constitution imposing appropriate escrow restrictions on the holders of restricted securities and to simply give a notice to the holders of Restricted Securities (in the form to be set out in new Appendix 9C to the ASX Listing Rules) advising them of those restrictions. To allow for the operation of the new two-tier escrow regime, certain changes are required to the customary provisions of constitutions of ASX-listed entities regarding Restricted Securities. These changes require that:</p> <ul style="list-style-type: none">a holder of Restricted Securities must not dispose of, or agree or offer to dispose of, the securities during the escrow period applicable to those securities except as permitted by the ASX Listing Rules or ASX;if the Restricted Securities are in the same class as quoted securities, the holder will be taken to have agreed in writing that the Restricted Securities are to be kept on the entity's issuer sponsored sub-register and are to have a holding lock applied for the duration of the escrow period applicable to those securities;the Company will refuse to acknowledge any disposal (including, without limitation, to register any transfer) of Restricted Securities during the escrow period applicable to those securities except as permitted by the ASX Listing Rules or ASX;a holder of Restricted Securities will not be entitled to participate in any return of capital on those securities during the escrow period applicable to those securities except as permitted by the ASX Listing Rules or ASX; andif a holder of Restricted Securities breaches a restriction deed or a provision of the constitution restricting a disposal of those securities, the holder will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of those securities for so long as the breach continues. <p>The Proposed Constitution will contain a provision which reflects the ASX's modified escrow regime.</p> |
| Proportional takeover bids | <p>Clause 25 of the Proposed Constitution contains proportional takeover approval provisions. New clause 25 will require a separate approval which is contained in Resolution 8. The explanatory notes associated with that resolution are set out above.</p> |
| Entitlement to transmission | <p>The Proposed Constitution requires any person who is registered under clause 30 to indemnify the Company against all liabilities, costs, losses and expenses incurred by the Company as a result of registering the person.</p> |
| Calling general meeting | <p>The Proposed Constitution allows a general meeting to be held at two or more venues simultaneously using any technology that gives the members as a whole a reasonable opportunity to participate.</p> |
| Chairperson | <p>The Proposed Constitution includes a power of the chairperson to elect to vacate the chair in favour of another person nominated by the chairperson (which person must be a Director unless no Director is present or is willing to act) at any time during a meeting and in respect of specific item/s of business during consideration of those item/s.</p> |
| Decisions at a general meeting | <p>The current Constitution confers a power to demand a poll, instead of a show of hands, by any member or members who have the right to vote shares on which an amount has been paid up or credited as paid up equal to not less than 5% of the total amount paid up or credited as paid up on all shares conferring the right to vote on the resolution. This power is not specifically contained in the Proposed Constitution.</p> |

| SUBJECT | SUMMARY OF DIFFERENCE |
|---|---|
| Auditor's right to be heard at a general meeting | <p>The Proposed Constitution provides that the auditor is entitled to:</p> <ul style="list-style-type: none"> attend any general meeting of the Company; be heard at any general meeting of the Company on any part of the business that concerns the auditor; and authorise a person to attend and speak as the auditor's representative at a general meeting. |
| Votes by proxy | <p>The Proposed Constitution contains provisions relating to votes by proxy which are broadly similar to the current Constitution. However, the Proposed Constitution provides rules for where the proxy is the Chair.</p> |
| Proxies | <p>The current Constitution and Proposed Constitution both provide that the appointment of a proxy is valid if it is received at least 48 hours (unless otherwise specified in the notice of meeting to which the proxy relates) before the time for holding the meeting or adjourned meeting at which the appointee proposes to vote.</p> <p>The Proposed Constitution also explicitly provides:</p> <ul style="list-style-type: none"> what authority an instrument appointing a proxy or attorney confers on the proxy or the attorney (unless otherwise provided for in the instrument of appointment); and if a proxy appointment is signed by a member but does not name the proxy or proxies, the chairperson may act as proxy or complete the proxy appointment by inserting the name or names of one or more Directors or the Secretary. |
| Qualification of Directors | <p>The Proposed Constitution provides that no person who has been insolvent under administration within the previous five years is eligible to become a Director.</p> |
| Power to remove and appoint Directors | <p>The Proposed Constitution expands upon the Company's power to remove and appoint directors, providing that:</p> <ul style="list-style-type: none"> the Company may, subject to the Corporations Act, by resolution passed in general meeting: <ul style="list-style-type: none"> remove any Director before the end of the Director's term of office; and if the outgoing Director is a Non-Executive Director, elect another person to replace the Director; a majority of Directors at a meeting of the Directors may suspend a Director if the conduct or position of any Director is such that continuance in office appears to be prejudicial to the interests of the Company, at a meeting of the Directors called for that purpose; within 14 days of suspension of Director, the Directors must call a general meeting, at which the members may consider a motion to remove the Director from office; and if a motion to remove a suspended Director from office is not carried at the general meeting called to consider the matter, the suspension of the Director is terminated and the Director is reinstated. |
| Additional and casual Directors | <p>The Proposed Constitution provides an exception to the requirement that a Director appointed to fill a casual vacancy or as an addition to the current Directors must be re-elected at the next AGM of the Company, if the Director is an Executive Director and the ASX Listing Rules do not require that Director to be subject to re-election.</p> |
| Nomination of Director | <p>The Proposed Constitution provides an additional requirement for nomination of a Director in that, other than a Director retiring who seeks re-election, a person is not eligible for election as a Director at a general meeting unless the person is proposed as a candidate by at least 50 members or members holding between them at least 5% of the votes that may be cast at a general meeting of the Company.</p> |
| Vacation of office by Director | <p>The Proposed Constitution contains additional circumstances in which the office of a Director becomes vacant. Under the Proposed Constitution, the office of a Director becomes vacant if the Director:</p> <ul style="list-style-type: none"> is liable to pay a call but does not pay the call within 21 days after the date on which it is payable; or becomes bankrupt or makes any general arrangement or composition with his or her creditors, (updating the terms under the current constitution which considered suspending payment to creditors). <p>The Proposed Constitution also qualifies that the office of a Director only becomes vacant if the Director is absent from Directors' meetings for three consecutive months without leave of absence from the Directors, if the Director is resident in Australia and not being engaged abroad on business of the Company.</p> |
| Retirement benefits | <p>The current Constitution explicitly provides the benefits a retiring Director is entitled to receive, being a lump sum not exceeding the amount permitted by law or the Listing Rules, and provides that the Directors may enter into a contract or arrangement with a prospective, present or former Director for the payment of benefits. Whereas, the Proposed Constitution:</p> <ul style="list-style-type: none"> provides generally that a retiring director may be entitled to a benefit; extends the entitlement to benefits to retirement from a related body corporate of the Company; and provides that the Company may enter into a contract or arrangement with a person for the giving to the person or any other person of a benefit in connection with a Director's retirement, including retirement from a related body corporate of the Company. |

| SUBJECT | SUMMARY OF DIFFERENCE |
|-------------------------------|--|
| Directors' powers | The Proposed Constitution includes a power of a Director to guarantee or to become liable for the payment of money or performance of any obligation by or of any other person. |
| Directors' meetings | The Proposed Constitution contains a rule that a Directors' meeting must be called by not less than 48 hours' notice of a meeting to each Director, unless the Directors unanimously agree otherwise. The current Constitution does not contain such a limitation. |
| Directors' interests | <p>The Proposed Constitution expands the provisions relating to a Directors' interests providing that:</p> <ul style="list-style-type: none"> • the fact that a Director holds office as a Director, and has fiduciary obligations arising out of that office: <ul style="list-style-type: none"> – will not void or render voidable a contract made by a Director with the Company; – will not void or render voidable a contract or arrangement entered into by or on behalf of the Company and in which the Director may have any interest; and – will not require the Director to account to the Company for any profit realised by or under any contract or arrangement entered into by or on behalf of the Company and in which the Director may have any interest. • a Director may be or become a Director or other officer of, or otherwise be interested in: <ul style="list-style-type: none"> – any related body corporate of the Company; or – any other body corporate promoted by the Company or in which the Company may be interested as a vendor, shareholder or otherwise, <p>and is not accountable to the Company for any remuneration or other benefits received by the Director as a Director or officer of, or from having an interest in, that body corporate.</p> • a Director must give to the Company such information about the shares or other securities in the Company in which the Director has a relevant interest and at the times that the Secretary requires, to enable the Company to comply with any disclosure obligations it has under the Corporations Act or the ASX Listing Rules. |
| Local management | <p>The Proposed Constitution contains a clause which provides that the Directors may provide for the management and transaction of the affairs of the Company in any place and in such manner as they think fit, such as to:</p> <ul style="list-style-type: none"> • establish local boards or agencies for managing any of the affairs of the Company in a specified place and appoint any persons to be members of those local boards or agencies; and • delegate to those persons appointed above any of the powers, authorities and discretions which may be exercised by the Directors under the Proposed Constitution. |
| Inspection of records | The Proposed Constitution provides that the books of the Company containing the minutes of general meetings will be kept at the Company's registered office and will be open to inspection of members at all times when the office is required to be open to the public. |
| Dividends and reserves | The Proposed Constitution includes a power for the Directors' to amend or revoke a resolution to pay a dividend before the record date notified to ASX for determining entitlements to that dividend. |
| Indemnity | <p>The Proposed Constitution:</p> <ul style="list-style-type: none"> • extends the indemnification of officers of the Company to include liabilities and reasonable legal costs incurred by the officer as an officer of a subsidiary of the Company where the Company requested the officer to accept that appointment; • does not include an exception to the liability if it arises out of conduct on the part of the officer which: <ul style="list-style-type: none"> – involves a lack of good faith; or – is contrary to the Company's express instructions, <p>as in the current Constitution;</p> • limits the indemnification of officers against legal costs incurred by that person as an officer of the Company to 'reasonable' legal costs; and • does not extend the definition of officer for the purposes of the clause to 'executive officers' of the Company, as in the current Constitution. |
| Shareholder disclosure | The Proposed Constitution contains a rule that if a member has entered into any arrangement restricting the transfer or other disposal of shares and those arrangements are of the nature of arrangements which the Company is required to disclose under the ASX Listing Rules, then the member must provide to the Company such information that the Company requires and within the time that the Company requires, to comply with the Company's disclosure obligations. |
| Overseas members | The current Constitution provides that the Company may, as contemplated by the ASX Listing Rules, arrange for a nominee to dispose of any of the entitlement of any member with a registered address outside Australia to participate in any issue of shares or options to have shares issued by the Company to members. This is not specifically contained in the Proposed Constitution. |

Need assistance?**Phone:**1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)**Online:**www.investorcentre.com/contact

ADN

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030**YOUR VOTE IS IMPORTANT**For your proxy appointment to be effective it must be received by **2:00pm (ACDT)** Tuesday 24 November 2020.

Andromeda Metals Limited Annual General Meeting

This year, as part of the Australian Government's response to the Coronavirus crisis, temporary modifications have been made to the *Corporations Act 2001* under the *Corporations (Coronavirus Economic Response) Determination (No.3) 2020*.

These modifications allow notices of meeting, and other information regarding a meeting to be provided online where it can be viewed and downloaded. We are relying on technology to facilitate shareholder engagement and participation in the meeting. Details of where you can access the notice of meeting, lodge a proxy and participate in the meeting are contained in this letter.

Meeting date and time:

The Annual General Meeting of Andromeda Metals Limited will be a virtual meeting, which will be conducted online on Thursday, 26 November at 2:00pm (ACDT).

Attending the meeting:**Online**

If you choose to participate online on the day of the meeting you will be able to view a live webcast of the meeting, ask the Directors questions online and submit your vote in real time.

To participate online you will need to visit <https://web.lumiagm.com/330869874> on your smartphone, tablet or computer.

You will need the latest versions of Chrome, Safari, Internet Explorer 11, Edge or Firefox. Please ensure your browser is compatible. For further instructions on how to participate online please view the online meeting user guide at <http://www.computershare.com.au/virtualmeetingguide>

In Person

Access for Shareholders to attend the meeting in person is offered but will be limited in order to comply with social distancing requirements as a result of the COVID-19 pandemic. The venue for the meeting will be The Science Exchange, 55 Exchange Place, Adelaide, South Australia.

If a Shareholder wishes to attend the meeting in person rather than online, they will need to register with the Company Secretary by emailing admin@andromet.com.au or phoning 08 8271 0600 prior to the close of proxy voting at 2.00pm (ACDT) on Tuesday 24 November 2020, and will be offered an invitation to attend if numbers permit. Any Shareholders who do attend in person will still only be able to vote online during the meeting using their mobile device.

Access the meeting documents and lodge your proxy online:**Online:**

Access the meeting documents and lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

**Control Number: 999999****SRN/HIN: I9999999999****PIN: 99999**

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

Need assistance?**Phone:**1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)**Online:**www.investorcentre.com/contact**YOUR VOTE IS IMPORTANT**For your proxy appointment to be effective it must be received by **2:00 pm (ACDT) Tuesday 24 November 2020.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

Control Number: 184769**SRN/HIN:**For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Andromeda Metals Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Andromeda Metals Limited to be held virtually at <https://web.lumiagm.com/330869874> on Thursday 26 November at 2:00pm (ACDT) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Items 1, 4, 5 & 6** (except where I/we have indicated a different voting intention below) even though **Items 1, 4, 5 & 6** are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Items 1, 4, 5 & 6** by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

| | For | Against | Abstain |
|---|--------------------------|--------------------------|--------------------------|
| 1 Adoption of the Remuneration Report for the year ended 30 June 2020 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 Re-election of Mr Nicholas Harding as a Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 Election of Mr Joseph Ranford as a Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4 Approval to issue Performance Rights to Operations Director Mr Joseph Ranford | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5 Approval of Employee Incentive Plan | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6 Approval to issue Performance Rights to Directors under Employee Incentive Plan | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7 Adoption of Proposed Constitution | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8 Approval of Proportional Takeover provisions | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9 Approval of 10% Placement Facility | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /