



6 May 2021

Mr Alex Sutton
Adviser, Geology, Listings Compliance
Australian Securities Exchange Limited
PO Box H224, Australia Square
Sydney, NSW 1215

Response to ASX Aware Query

Dear Alex,

We refer to your letter dated 3 May 2021 in reference to Andromeda Metals Limited's (ADN, the Company) announcement to the market of the same day titled "Natural Nanotech Research Project with University of Newcastle" in which you have asked a number of questions in relation to the release. Accordingly we provide the following responses as follows:

- 1. Does ADN consider the information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?**

No.

- 2. If the answer to question 1 is "no", please advise the basis for that view.**

The details of the Research Project funding to the University of Newcastle that is referred to in the announcement are that Natural Nanotech Pty Ltd, which is a 50:50 joint venture between Andromeda Metals Limited and Minotaur Exploration Limited (ASX: MEP), would fund a total of \$4 million over 4 years to investigate the conversion of halloysite nanotubes into advanced nanomaterials that can be utilised as adsorbent systems and catalysts for carbon dioxide capture and conversion processes. Andromeda's share of these costs is \$2 million over the 4 years spread evenly through quarterly payments of \$125,000.

Both Andromeda and Minotaur jointly provided an update to the market on 12 April 2021 specifically advising of the progress being made by the University of Newcastle's Global Center for Advanced Nanomaterials (GICAN) in respect to the use of halloysite sourced from the Great White Kaolin Project to capture carbon dioxide under a research agreement with Natural Nanotech. At the request of GICAN, a formal signing ceremony in respect to this research agreement occurred on 28 April 2021. GICAN provided its official public statement to Andromeda and Minotaur after midday on 30 April 2021.

Andromeda was advised by Minotaur that it would be making an ASX release in regard to the official signing on 3 May 2021 and the suggestion was that Andromeda may wish to do the same. Both Andromeda and Minotaur consider that this announcement did not contain information that had not previously been provided to the market as the research agreement had been referenced in the prior announcement made on 12 April, other than the specific terms of the agreement itself. The Andromeda announcement on 3 May 2021 was inadvertently marked as price sensitive whereas it should not have been flagged as such. The Andromeda announcement also provided a direct reference to the release made on 12 April for readers to obtain further information associated with the carbon capture research project.

3. When did ADN first become aware of the Information?

The Company through Natural Nanotech has been working with GICAN for almost two years in researching the potential use of halloysite for nanotechnology applications, including carbon capture, which has resulted in the recent decision to provide further funding that is to be directed specifically to carbon capture applications.

4. If the answer to question 1 is "yes", and ADN became aware of the Information before the relevant date, did ADN make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe ADN was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps ADN took to ensure that the information was released promptly and without delay.

Not applicable.

5. Please confirm that ADN is complying with the Listing Rules and, in particular, Listing Rule 3.1.

The Company confirms that it is in compliance with the Listing Rules, including Listing Rule 3.1.

6. Please confirm that ADN's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of ADN with delegated authority from the board to respond to ASX on disclosure matters.

The Company's responses to the above questions have been authorised and approved by the Board.

Yours sincerely,



Nick Harding
Executive Director and Company Secretary



3 May 2021

Mr Nicholas Harding
Company Secretary
Andromeda Metals Limited
69 King William Rd
Unley, SA 5061

By email:

Dear Mr Harding

Andromeda Metals Limited ('ADN'): Aware Query

ASX refers to the following:

- A. ADN's announcement entitled "Natural Nanotech Research Project with Uni of Newcastle" lodged on the ASX Market Announcements Platform on 3 May 2021 (the 'Announcement'), which disclosed the signing of an agreement with the University of Newcastle ('UoN') to fund research into carbon dioxide capture ('Information').
- B. UoN's media release¹, dated 28 April 2021, which provided some details relating to the Information. ADN provided a link to this media release in the Announcement.
- C. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- D. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity" and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information."

- E. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- It would be a breach of a law to disclose the information;*
- The information concerns an incomplete proposal or negotiation;*
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- The information is generated for the internal management purposes of the entity; or*
- The information is a trade secret; and*

¹ <https://www.newcastle.edu.au/newsroom/featured/4-million-partnership-carbon>

3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *A reasonable person would not expect the information to be disclosed.*”

F. ASX’s policy position on the concept of “confidentiality”, which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:

“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”

Request for information

Having regard to the above, ASX asks ADN to respond separately to each of the following questions and requests for information:

1. Does ADN consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. When did ADN first become aware of the Information?
4. If the answer to question 1 is “yes” and ADN first became aware of the Information before the relevant date, did ADN make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe ADN was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps ADN took to ensure that the information was released promptly and without delay.
5. Please confirm that ADN is complying with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that ADN’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of ADN with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **05:00 PM AEST Thursday, 6 May 2021**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, ADN’s obligation is to disclose the information ‘immediately’. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require ADN to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsComplianceSydney@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in ADN's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in ADN's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to ADN's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that ADN's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Kind regards



Alex Sutton
Compliance Adviser, Geology, Listings Compliance (Sydney)