

ASX ANNOUNCEMENT

ANDROMEDA METALS LTD (Andromeda, ASX: ADN)



21st November 2022

Andromeda Metals Limited

ABN: 75 061 503 375

Corporate details:

ASX Code: ADN

Cash (30 September 2022): \$27.69m

Issued Capital:

3,110,008,432 ordinary shares

69,480,000 unlisted options

21,332,075 performance rights

Directors:

Mick Wilkes

Non-Executive Chair

James Marsh

Managing Director

Joe Ranford

Operations Director

Melissa Holzberger

Non-Executive Director

Austen Perrin

Non-Executive Director

Company Secretary:

Andrea Betti

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Andromeda Signs Binding Offtake Agreement for Great White Concrete Additives

Andromeda Metals Limited (**ASX: ADN**) (**Andromeda**, the **Company**), is pleased to announce further progress for its Great White Project (**GWP** or **Project**), with the signing of another legally binding Offtake Term Sheet Agreement (**Agreement**).

Highlights

- The Agreement with IMCD is for the exclusive sale of the Great White HRM™ and Great White SRM™ additives in Australia and New Zealand.
- The Agreement is for a combined total of 22,500 tonnes of Great White HRM™ and SRM™ over an initial term of three years, with a maximum of 30,000 and a minimum of 15,000 tonnes and is subject to standard conditions precedent.
- IMCD is a global leader in the distribution of speciality chemicals and additives.
- The contract price for the initial year of the Agreement for both products is within the ex-gate selling price range for Great White HRM™ used in the Definitive Feasibility Study (DFS) of between AUD1,000 to AUD1,500¹
- Great White HRM™ is a new product developed by Andromeda with a provisional patent application filed. It has the potential to enable the decarbonisation of the concrete industry and additionally reduce costs for customers.
- Five binding offtake agreements signed for halloysite-kaolin products now underpin the Project's development.
- Negotiations are progressing to further de-risk the GWP's development by locking in additional production from the Starter Plant and planned expanded production from Stage 1 of the Project.

¹ Refer ADN ASX Announcement dated 6 April 2022 "Great White Kaolin Project - Definitive Feasibility study and Updated Ore Reserve"

² Refer ADN Announcements regarding offtake agreements dated 17 March 2021, 10 Jun 2021, 26 July 2022, 8 August 2022 and 15 August 2022.

Andromeda's Managing Director, James Marsh, said: ***"This Agreement further de-risks the Project through developing a high-value domestic market, with significant global expansion opportunities."***

"Great White HRM™ is an exciting new product entering the market at the right time to help construction companies meet their carbon reduction targets and save money."

Gaining customer approvals and offtake agreements for industrial minerals products, such as halloysite-kaolin, involves a significant investment of resources and testing by potential customers.

The Great White HRM™ has undergone extensive testing in many concrete applications along with the Great White SRM™ in associated chemical application. Their performance has provided sufficient confidence for IMCD to sign a binding offtake agreement which includes industry standard conditions precedent.

IMCD is a global leader in speciality chemicals and ingredients, based in Rotterdam, Netherlands. IMCD's global operations span over 50 countries, across six continents, with over 3,700 employees offering technical expertise and a portfolio of 43,000 high-quality products.

Andromeda and IMCD's Technical Teams will now work together to progress additional commercial approvals and trials with end customers using product from the Great White Kaolin Pilot Plant at Streaky Bay, which will facilitate a smooth transition into full scale supply.

Andromeda has commissioned a detailed concrete decarbonisation study by expert consulting company *Sustainable Future by Design* to quantify the potential carbon footprint reductions offered by using Great White HRM™ and provide an Environmental Product Declaration.

This ASX announcement has been approved for release by the Board of Directors of Andromeda Metals Limited.

For more information about the Company and its projects, please visit our website www.andromet.com.au or contact:

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