

ASX Announcement

12 December 2019

**Andromeda Metals Limited**

ABN: 75 061 503 375

Corporate details:

ASX Code: ADN

Cash: \$4.93 million

(as at 30 November 2019)

Issued Capital:

1,444,910,087 ordinary shares

700,626,653 ADNOB options

20,000,000 unlisted options

Directors:**Rhod Grivas**

Non-Executive Chairman

James Marsh

Managing Director

Nick Harding

Executive Director and

Company Secretary

Andrew Shearer

Non-Executive Director

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High-Purity Halloysite Confirmed at Poochera

Summary

- **High-purity halloysite reported from analysis of samples taken during the April-May 2019 drilling program at the Poochera Halloysite-Kaolin Project in South Australia.**
- **Halloysite concentrations of up to 91% taken from drill holes containing up to 20 metres of high whiteness kaolinised granite.**
- **A selection of 9 holes drilled at Carey's Well, Tomney and Condooringie recorded an average of 59% halloysite in the minus 2 micron fraction.**
- **The highest halloysite levels were returned from the Condooringie Prospect, located 4 kms north of the Carey's Well Deposit.**
- **Drilling is currently in progress at Condooringie with up to 88 aircore holes planned targeting this halloysite rich area.**
- **The Global Innovative Center for Advanced Nanomaterials (GICAN), University of Newcastle (NSW), is currently producing some exciting research results using Carey's Well halloysite in battery technology development, water purification, carbon capture and hydrogen storage. Each of these applications has the potential to present unlimited global development opportunities.**
- **The update to the Carey's Well Mineral Resource is nearing completion and will be reported shortly.**
- **An expanded Scoping Study and Feasibility Studies are advancing with the results expected through the first half of 2020.**

Discussion

Condooringie High-Purity Halloysite

Andromeda Metals Limited (ASX Code: ADN, Andromeda, the Company) is pleased to report that further laboratory assays undertaken at a minus 2 micron fraction size performed on a selection of 9 holes drilled at three different target areas across the Poochera Project in April-May 2019 have returned an average of 59% halloysite. The highest value of over 90% was reported at the Condooringie Prospect (4 kms north of the Carey's Well Deposit), which confirmed historical high halloysite intercepts found by Minotaur Exploration (ASX: MEP). Analysis of the halloysite content was done

by taking samples of the bright white kaolinised granite and first screening them at 45 microns to remove the sand, before cutting the particle size distribution at a 2-micron top size, before being measured by CSIRO. The test results gave halloysite up to a maximum value of 91% for Condooringie drill hole CD19AC05 and which contained an approximate 20 metre intercept of high-bright kaolinised granite. High-purity halloysite results were also recorded for a number of holes at the Carey's Well Deposit, and the Tomney East and Tomney West Prospects.

Table 1 – Halloysite Levels Measured

| Prospect Area | Drill Hole ID | Halloysite (%) |
|----------------------|----------------------|-----------------------|
| Careys Well | CW19AC005 | 29 |
| Careys Well | CW19AC007 | 66 |
| Careys Well | CW19AC008 | 24 |
| Tomney West | TW19AC001 | 60 |
| Tomney West | TW19AC001 | 65 |
| Tomney West | TW19AC005 | 45 |
| Tomney West | TW19AC005 | 49 |
| Tomney East | TE19AC001 | 52 |
| Tomney East | TE19AC001 | 62 |
| Tomney East | TE19AC001 | 59 |
| Tomney East | TE19AC001 | 63 |
| Tomney East | TE19AC003 | 76 |
| Condooringie | CD19AC01 | 62 |
| Condooringie | CD19AC05 | 61 |
| Condooringie | CD19AC05 | 55 |
| Condooringie | CD19AC05 | 59 |
| Condooringie | CD19AC05 | 91 |
| Condooringie | CD19AC05 | 84 |
| Average | | 59 |

Managing Director James Marsh commented – ***‘the confirmation of high-purity halloysite in a highly prospective area for kaolin is an extremely exciting development, and significantly adds to the already prospective halloysite-kaolin project at Carey’s Well which is currently the subject of a Feasibility Study’.***

Halloysite content measurements are a complex time-consuming process due to the chemical and mineralogical similarities between halloysite and kaolinite, resulting in the long lead time for final results. Andromeda uses the CSIRO, one of the world’s leading experts in halloysite and kaolinite measurement, to complete this analysis. The collaboration between the CSIRO and Andromeda for halloysite measurement analysis has resulted in significant in-house knowledge and valuable experience being gained.

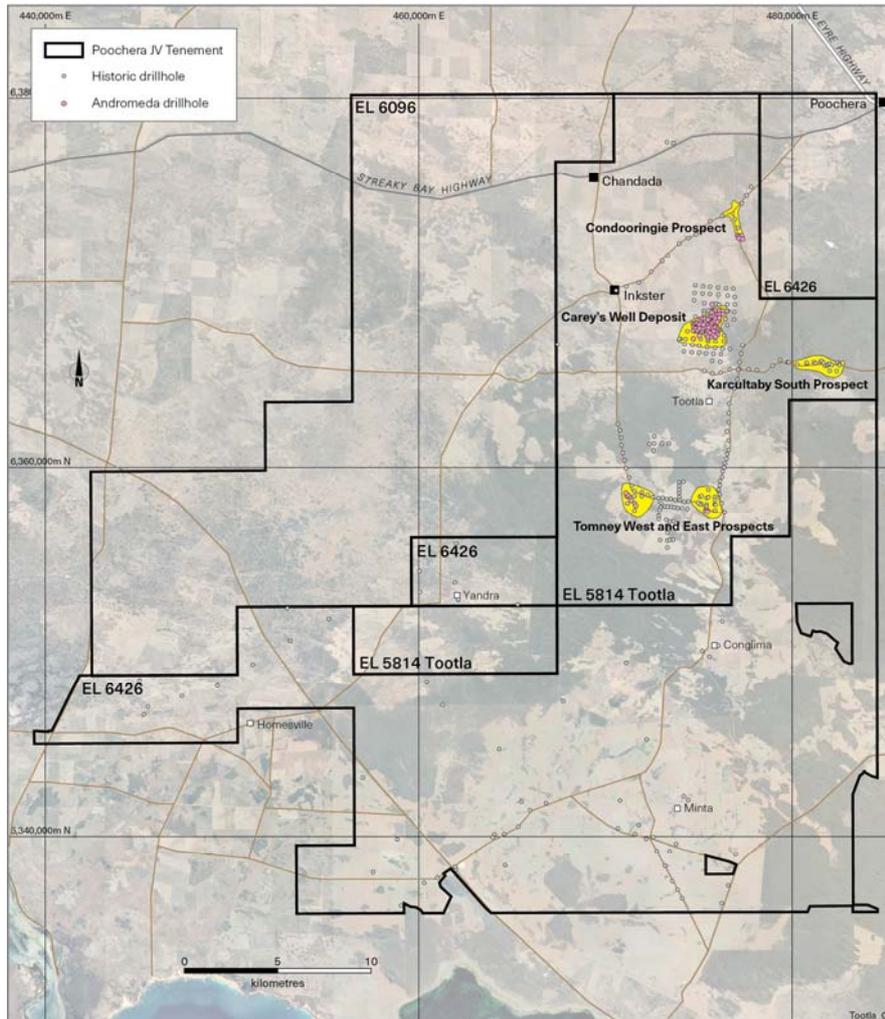


Figure 1- Location and Previous Drilling at Halloysite-Kaolin Prospects at Poochera

A drilling program at the Condooringie Prospect is currently in progress with up to 88 aircore holes planned targeting this halloysite rich area (see Figure 2).

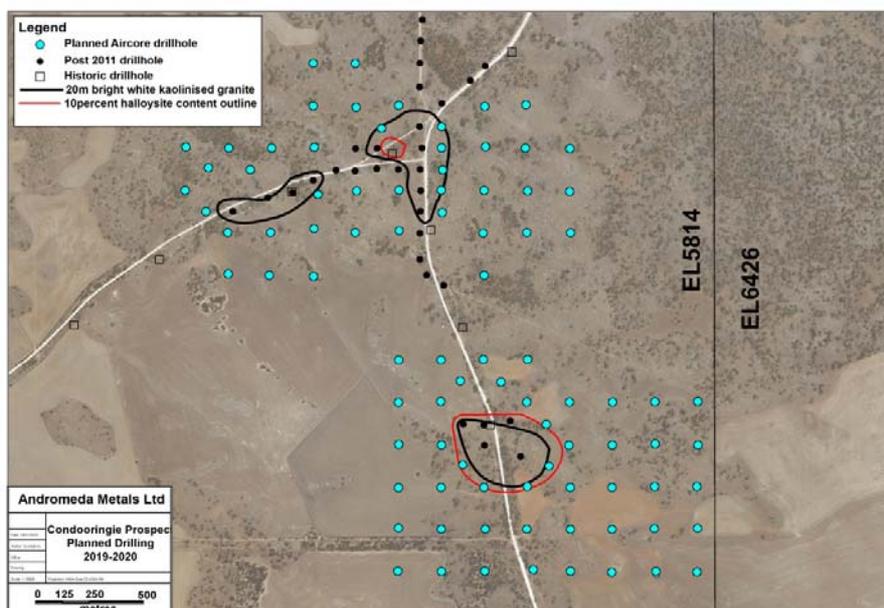


Figure 2 – Aircore Drilling Plan (200m drill spacings) currently in progress at Condooringie

Halloysite is a rare 'tubular shaped' derivative of kaolin that has a wide variety of industrial uses.

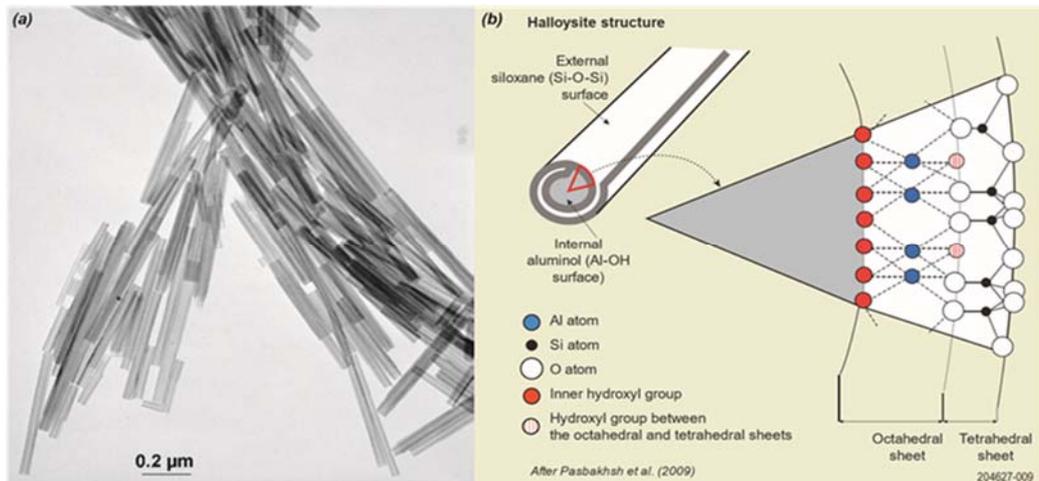


Figure 3 – Pure halloysite with tubular structure ($\text{Al}_2\text{O}_3 \cdot 2\text{SiO}_2 \cdot 2\text{H}_2\text{O}$)

The main application of halloysites has historically been as an additive for high quality ceramics. However, there has been an exponential increase in global research aimed at new applications for halloysite nanotubes (HNT). This is because the nanotubular forms of halloysite have potential uses in a large range of nanotechnologies including polymers, medicine, agriculture, construction, carbon capture, hydrogen storage, water purification and batteries.

Emerging Halloysite Nanotube Applications:

- Batteries and Super-Capacitors - Manufacture of Carbon Nanostructures
- Water Purification - Manufacture of Carbon Nanostructures
- Carbon Capture Storage - Conversion of Carbon Dioxide to Fuel
- Medical – Controlled Delivery of Drugs
- Construction – Controlled Delivery of Biocides
- Agriculture – Controlled Delivery of Pesticides and Fertilisers
- Hydrogen Fuel – safe storage and transport

The Poochera Project

The Poochera Halloysite-Kaolin Project covers two main geographic areas of interest, both situated in the western province of South Australia (Figure 4). The current main area of focus for the Project is on the Eyre Peninsula which comprises four tenements (Figure 5) and is located approximately 635 kms west by road from Adelaide and 130 kms south-east from Ceduna.

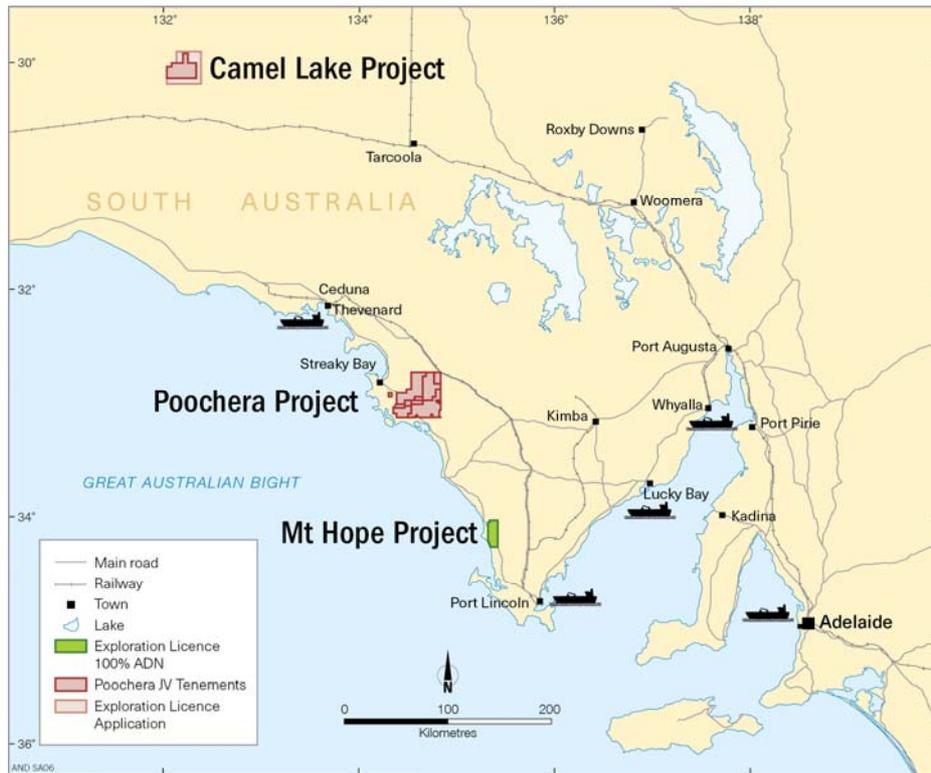


Figure 4 - Project location plan

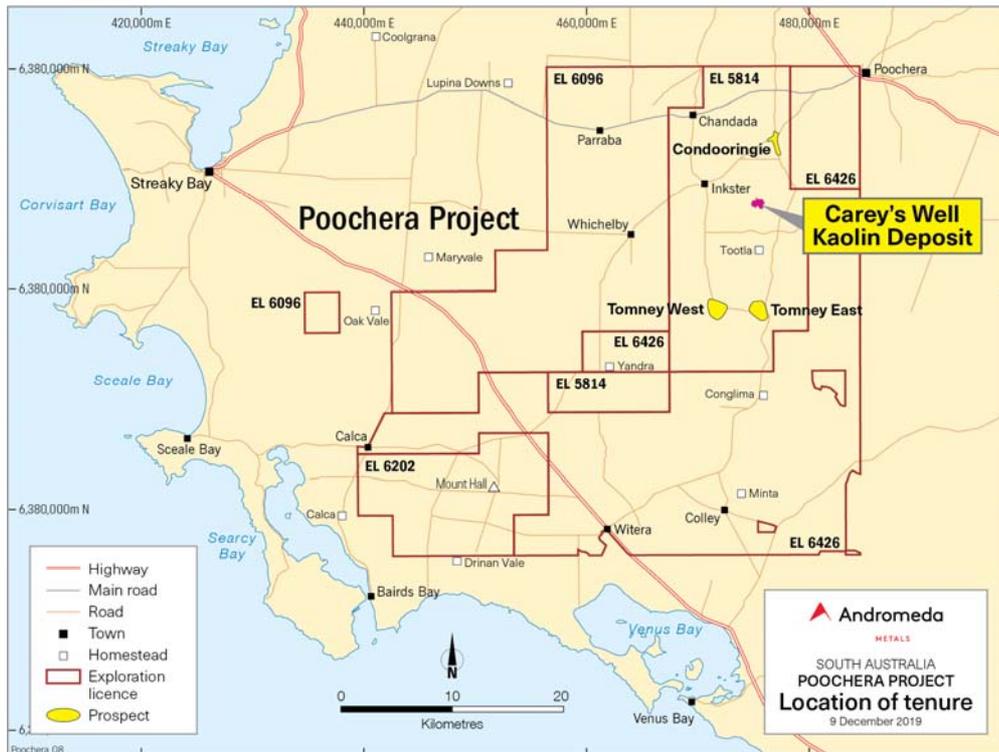


Figure 5 – Poochera tenements

In addition to the Carey's Well Deposit, additional high quality halloysite-kaolin prospects occur extensively across the Poochera Project area making this a region of global significance for the mineral with the potential of supporting a considerable long-life mining operation, should final feasibility studies determine the project to be economically viable. Halloysite is a rare derivative of kaolinite in which the mineral occurs as nanotubes. Halloysite has many industrial uses beyond simple kaolinite and commands a significant premium above the

average kaolinite price. The Poochera kaolinite contains a variable natural halloysite-kaolinite blend that is in demand for the ceramic market while pure halloysite can be used in petrochemical refining markets, and for developments in new high-tech and nanotechnology applications.

The northern project area includes the near pure halloysite within the Camel Lake Prospect on EL 6128 (Figure 4) that could potentially be processed to provide a very high value pure product for the development of halloysite nanotube technology in the areas of energy storage, water purification, medicine, carbon capture/conversion to fuel and hydrogen storage.

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

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

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Competent Person's Statements

Information in this announcement has been compiled by Mr James Marsh and Mr Rhoderick Grivas, both members of The Australasian Institute of Mining and Metallurgy (AusIMM). Mr Marsh and Mr Grivas employees of the Andromeda Metals Limited have sufficient experience, which is relevant to the style of mineralisation, type of deposits and their ore recovery under consideration and to the activity being undertaking to qualify as Competent Persons under the 2012 Edition of the 'Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). This includes Mr Marsh attaining over 29 years of experience in kaolin processing and applications. Mr Marsh and Mr Grivas consent to the inclusion in the report of the matters based on the information in the form and context in which it appears.

JORC Code, 2012 Edition – Table 1 Poochera Kaolin Deposit

Section 1 Sampling Techniques and Data

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

| Criteria | JORC Code explanation | Commentary |
|----------------------------|---|--|
| Sampling techniques | <ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where ‘industry standard’ work has been done this would be relatively simple (e.g. ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information. | <ul style="list-style-type: none"> Sampling consists of Aircore drilling to produce chip samples representing 1m of drilled material. Samples are composited to between 1 and 5m via riffle splitting to logged kaolined granite intervals. Sample processing includes wet sieving to the -45micron fraction. Analysis of this fine -45micron fraction includes measuring reflectance, XRF analysis for element composition and XRD analysis for mineral species abundance including Halloysite testing which was completed at CSIRO. Aircore drilling of vertical holes to industry standard overseen by Andromeda Metals (“ADN”) generating 1m chip samples. A total of 109 holes for 3,265m completed in 2019. Drilling penetrated beyond the kaolin to the partially decomposed parent granite. Maximum drilling depth is 54m. Samples composited based on logged kaolinised granite intervals. Composite intervals range from 1-5m. Sample compositing was carried out at joint venture pilot kaolin processing facility at Streaky Bay, South Australia. Samples were then transferred to a commercial laboratory, Bureau Veritas, in Adelaide for processing. Kaolin is a white, weathered clay product easily distinguished in drilling. The mineralisation forms a flat lying blanket atop a partially decomposed granite. Cover material comprises alluvial clays and sands and calcrete. The kaolin is capped by a silicified zone generally logged as 1m thick. |
| Drilling techniques | <ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or | <ul style="list-style-type: none"> Drilling completed by Mcleod Drilling using an MD1 Almet drill rig. The sampled metres were completed with 77mm diameter aircore drilling technique. |

| Criteria | JORC Code explanation | Commentary |
|---|--|--|
| Drill sample recovery | <p>other type, whether core is oriented and if so, by what method, etc).</p> <ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. | <ul style="list-style-type: none"> All metre bags that were sampled had their weights recorded before splitting and compositing for assay purposes. With few exceptions, samples recovered were dry with good recoveries. The depth of penetration of the drill bit was noted and the downhole interval recorded for each aircore sample. Sample recovery is expected to have minimal negative impact on samples collected. There was no obvious evidence of bias in the samples. |
| Logging | <ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. | <ul style="list-style-type: none"> All drill samples were logged by an experienced geologist on-site at the time of drilling. Observations on lithology, colour, degree of weathering, moisture, mineralisation and alteration for sampled material were recorded. All relevant intersections were logged. |
| Sub-sampling techniques and sample preparation | <ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. | <ul style="list-style-type: none"> Riffle split sample compositing consisted of contiguous 1m drill samples up to 5m in total length, based on drill logs and visual estimation of whiteness of material. Sample composites were prepared with the aim of including kaolinised granite of similar quality within each composite, although in some cases narrow bands of discoloured kaolinised granite were included in the composite to determine if poorer quality could be carried within the interval. Each metre bag drill sample was weighed before splitting. Sample riffle splitting took place in the MEP pilot plant shed at Streaky Bay in sterile conditions. The samples were run through a 3 tier splitter to compile composite samples of between 2 and 4kg in weight. Samples were processed by laboratory Bureau Veritas. Compositing Samples were processed by first soaking and agitating the sample to disaggregate the kaolin, then wet screened by passing through a Kason 2 screen vibrating deck. Coarser particles were collected, re- |

| Criteria | JORC Code explanation | Commentary |
|----------|---|---|
| | <ul style="list-style-type: none"> Preparation of minus 2 micron fraction for analysis | <p>agitated and passed through again until a visual estimation that all the kaolin had been removed (ie the water ran clear). The finer separating screen was 45µm. The plus and minus 45um material was oven dried at 35C and weighed. The minus 45um material was then split into several portions by a rotary splitter.</p> <ul style="list-style-type: none"> At CSIRO, Division of Land and Water, Urbrae, South Australia centrifuge testing was conducted on selected minus 45 micron samples by the method below. A 6g subsample dispersed by shaking for 10 minutes with ~50ml of a solution of sodium hexametaphosphate Suspension is poured into steel centrifuge tubes and balanced by topping up to ~120ml with deionized water Suspension is centrifuged at 520rpm for 9 minutes using a Heraeus Multifuge X3 centrifuge with a Bioshield 1000A swing bucket rotor Supernatant is decanted into large beakers, leaving approximately 1cm of solution remaining 50ml of deionized water is added to centrifuge tube and dispersed for 30 seconds using a Branson Sonifier 450 with a high intensity sonicator horn model No 102C Suspension is repeatedly centrifuged and dispersed from step 3 until the supernatant is essentially clear (approximately 8-10 repeats) After the final centrifugation step the large volume of <2µm fraction is initially reduced by flocculation with approximately 30g of NaCl Suspension is allowed to settle overnight then the clear supernatant is siphoned above the solids The remaining suspension is repeatedly centrifuged at 5200rpm for 10 minutes and the clear supernatant discarded. Approximately 50ml of deionized water and 10ml of 1M CaCl2 solution is added to both the <2µm and >2µm fractions and dispersed for 2 minutes using the Branson ultrasonic probe Centrifuge tube is balanced by topping up to ~120ml with deionized water Suspension is centrifuged at 5200rpm for 10 minutes and the clear supernatant discarded |

| Criteria | JORC Code explanation | Commentary |
|---|---|--|
| | | <ul style="list-style-type: none"> • Approximately 50ml of deionized water is added and dispersed for 2 minutes using the Branson ultrasonic probe • Centrifuge tube is balanced by topping up to ~120ml with deionized water • Suspension is centrifuged at 5200rpm for 10 minutes and the clear supernatant discarded • Approximately 50ml of ethanol is added and dispersed for 2 minutes using the Branson ultrasonic probe • Centrifuge tube is balanced by topping up to ~120ml with ethanol • Suspension is centrifuged at 5200rpm for 1 hour and the clear supernatant discarded • Both <2µm and >2µm fractions are oven dried at 60°C until dried • The fractions are weighed to determine the weight percentages. • The dried minus 45 micron and minus 2micron sample set was then analysed for quantitative elemental and mineralogical testing (including kaolinite:halloysite ratio estimation) by XRD. At CSIRO, a 2 gram subsample was micronised, slurried, spray dried and a spherical agglomerated sample prepared for XRD. Quantitative analysis of the XRD data was performed by CSIRO using SIROQUANT and Halloysite:Kaolinite proportions determined using profile fitting by TOPAS, calibrated by SEM point counting of a suite of 20 standards from the same locality (Janik and Keeling, 1996). |
| Quality of assay data and laboratory tests | <ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory | |

| Criteria | JORC Code explanation | Commentary |
|--|--|--|
| | checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. | |
| Verification of sampling and assaying | <ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. | <ul style="list-style-type: none"> Simon Tear, a consulting geologist from H&S Consultants, completed a one day site visit whilst drilling was in progress; this included discussion on the initial sample processing. |
| Location of data points | <ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. | <ul style="list-style-type: none"> All drill collar locations had survey pick up done by GNSS (Global Navigation Satellite System). Collar surveys were completed by licensed surveyor Steven Townsend of P.A.Dansie & Associates using a Leica 1200 RTK (Real Time Kinematic) System with horizontal accuracy of +/- 20mm and vertical accuracy of +/- 20mm. Grid projection is MGA94 Zone 53. No downhole surveys have been completed – all holes are vertical and generally <40m deep |
| Data spacing and distribution | <ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. | <ul style="list-style-type: none"> Sample splitting took place in the Streaky Bay shed in sterile conditions. The samples were run through a 7:1 3 tier splitter to compile composite samples of between 2 and 4kg in weight. |
| Orientation of data in relation to geological structure | <ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. | <ul style="list-style-type: none"> Vertical drilling generally achieved a very high angle of intercept with the flat-lying, stratabound mineralisation. Drilling orientations are considered appropriate with no obvious bias. |

| Criteria | JORC Code explanation | Commentary |
|--------------------------|---|--|
| Sample security | <ul style="list-style-type: none"> The measures taken to ensure sample security. | <ul style="list-style-type: none"> Drill samples were collected by Andromeda personnel and delivered to the Streaky Bay shed usually (but not always) on the same day as the drilling took place. After the samples were riffle split and composited, they were delivered to the McEvoy Transport yard in Streaky Bay where they were then transported to Bureau Veritas in Adelaide. Once Bureau Veritas had split to a subset sample splits were collected by ADN staff and delivered to CSIRO for XRD testing. |
| Audits or reviews | <ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. | <ul style="list-style-type: none"> An external QAQC audit is currently underway |

Section 2 Reporting of Exploration Results

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

| Criteria | JORC Code explanation | Commentary |
|--|--|---|
| Mineral tenement and land tenure status | <ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. | <ul style="list-style-type: none"> The Poochera Kaolin-Halloysite Project (Exploration Licences 5814, 6096 and 6202, which is a subsequent licence to EL5308) includes the Poochera (Carey's Well) deposit, which is located on EL5814. The Poochera Project is held by subsidiaries of Minotaur Exploration Limited and is joint ventured to Andromeda under terms detailed in the ADN ASX release dated 26 April 2018. There are no known non-government royalties due beyond the Minotaur JV agreement terms. The underlying land title is freehold that extinguishes Native Title. There are no known historical sites within the Carey's Well/Poochera area which preclude exploration or mineral development. All tenements are secure and compliant with Government of South Australia Department for Energy and Mining requirements at the date of this report. |
| Exploration done by other parties | <ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. | <ul style="list-style-type: none"> MEP has conducted exploration in the Carey's Well/Poochera area since the tenement was granted in 2005. The general area that is the subject of this report has been explored for kaolinitic products in the past by Transoil NL, SA Paper Clays ECC |

| Criteria | JORC Code explanation | Commentary |
|---------------------------------|---|---|
| Geology | <ul style="list-style-type: none"> • Deposit type, geological setting and style of mineralisation. | <p>(Pacific) & Commercial Minerals Ltd. ADN has reviewed past exploration conducted by MEP.</p> <ul style="list-style-type: none"> • Kaolin deposits, such as Poochera/Carey's Well, developed in situ by lateritic weathering of the feldspar-rich Hiltaba Granite. • The resultant kaolin deposit at Carey's Well is a sub-horizontal zone of kaolinised granite resting with a fairly sharp contact on unweathered granite. The kaolinised zone is overlain by loosely consolidated Tertiary and Quaternary sediments. • High quality kaolin-halloysite deposits occur extensively across the Poochera Project area • Halloysite is a rare derivative of kaolinite where the mineral occurs as nanotubes. Halloysite has a wide variety of industrial uses beyond simple kaolin and commands a significant premium above the average kaolin price. The Poochera kaolin deposits contain variable admixtures of kaolin and halloysite that appear amenable to selective mining to produce specific blends of low, medium and high halloysite for the ceramic markets, new nanotechnology applications as a strengthening additive in the cement and as a petroleum cracking catalyst. |
| Drill hole Information | <ul style="list-style-type: none"> • A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. | <ul style="list-style-type: none"> • Exploration results have been reported in the public domain with an ASX release for the initial resource estimate publicised on 8 February 2012. • A listing of the drill hole information material to the understanding of the exploration results is provided in the body and appendices of this announcement. |
| Data aggregation methods | <ul style="list-style-type: none"> • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. | <ul style="list-style-type: none"> • Samples are composited based on geological logging, no data aggregation has been undertaken. • Maximum or minimum grade truncations have not been applied. • No metal equivalent values have been quoted. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | <ul style="list-style-type: none"> Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. | |
| Relationship between mineralisation widths and intercept lengths | <ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). | <ul style="list-style-type: none"> Drill hole angle relative to mineralisation has been almost perpendicular, with vertical drillholes through flat horizontal mineralisation related to the regolith. Generally, the stratabound intercepts are close to true width. |
| Diagrams | <ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. | <ul style="list-style-type: none"> Appropriate maps and tabulations are presented in the body of the announcement. Sections not required as kaolinsed granite is a consistent flat lying regolith unit across the prospects with varying thickness as shown in the plan views |
| Balanced reporting | <ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. | <ul style="list-style-type: none"> Comprehensive results are reported. |
| Other substantive exploration data | <ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. | <ul style="list-style-type: none"> A 200t bulk sample was collected by wide diameter (900mm) drilling. Approx 40t subsample was dry processed in a commercial dry separation pilot plant in Australia producing 6 tonnes final processed product with less than 1wt% of impurities (mainly quartz) remaining. Subsamples of remaining bulk sample and separately subsamples of the processed product have been sent to China, Europe and USA for testing and analysis. |
| Further work | <ul style="list-style-type: none"> The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). | <ul style="list-style-type: none"> Further metallurgical testwork and additional halloysite analyses will be conducted as part of future studies. |

| Criteria | JORC Code explanation | Commentary |
|----------|--|------------|
| | <ul style="list-style-type: none"><li data-bbox="450 236 1167 355">• Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. | |