

**Andromeda Metals Limited ASX: ADN**

## **ASX Announcement**

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### **Presentation at RIU Sydney Resources Roundup**

Andromeda Metals Limited (ASX: **ADN**) (**Andromeda**, the **Company**) advises that Bob Katsioularis, Chief Executive Officer and Managing Director, will be presenting at the RIU Sydney Resources Round-up conference to be at the Hyatt Regency in Sydney, later today.

A copy of the presentation follows this announcement, which investors will be able to view live via a live-streaming service, as follows:

**Date:** Tuesday, 7 May 2024  
**Time:** 9am AEST / 8:30am ACST  
**To register:** <https://form.jotform.com/241181409854862>

*This 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](http://www.andromet.com.au) or contact:

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# Andromeda

## The Great White Mineral Company

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**RIU Sydney Resources  
Round-up Conference**

7 May 2024

**ASX:ADN**

**[andromet.com.au](http://andromet.com.au)**

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Authorised for release by the CEO and Managing Director of  
Andromeda Metals Ltd



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### Currency

Unless otherwise stated, all cashflows in this presentation are in Australian dollars, are undiscounted and are in real terms (not subject to inflation/escalation factors).

### Assumptions and Notes for Financial Information on 2023 DFS and Stage 1A+ this presentation:

Further details on the 2023 DFS and the assumptions and notes for the 2023 DFS can be found in the Company's ASX Announcement '2023 Definitive Feasibility Study Results' released on 24 August 2023. This should be read together with ASX Announcement dated 6 May 2024 "Andromeda expansion plans for The Great White Project" and "Clarification of expansion plans for The Great White Project". There are no material changes to the Modifying Factors and assumptions underpinning the financial information for these matters, when read together.

### Third party data from consultants and government agencies

Andromeda has relied on information provided by specialist consultants and government agencies in preparing this presentation. Andromeda has reviewed all information to the best of its ability but does not take responsibility for its accuracy or completeness, or reliability of such information.

### Competent Person's Statements

The data in this presentation that relates to Mineral Resource estimates for The Great White Deposit and the Chairlift Deposit is based on information evaluated by Mr Eric Whittaker who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr Whittaker is the Chief Geologist of Andromeda Metals Limited and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Whittaker has over 30 years of experience in the mining industry. Mr Whittaker consents to the information in the form and context in which it appears. Mr Whittaker is entitled to participate in Andromeda's employee incentive plan.

The data in this presentation that relates to Mineral Reserve estimates for The Great White Deposit is based on information evaluated by Mr John Millbank who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr Millbank is the Director of Proactive Mining Solutions Pty Ltd, an independent mining consultancy, and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Millbank consents to the information contained in this presentation being used in the form and context in which it appears. Mr Millbank, or any of the entities he directly controls, has no financial interests in Andromeda Metals Ltd or any of its subsidiaries.

### Photographs, images, diagrams, charts and maps

Photographs, images, diagrams, charts and maps used in this presentation are illustrative only and may not be drawn to scale.

Unless otherwise stated, all data contained in the charts, graphs and tables is based on information available at the date of this presentation.

**Andromeda recognises the Traditional Custodians on whose land we are gathered here today, the Gadigal people of the Eora Nation, and on the lands on which Andromeda operates, being the Kaurna people of the Adelaide Plains and the Wirangu people of South Australia's Eyre Peninsula.**

**We pay our respects to their Elders past and present, and extend that respect to other Aboriginal and Torres Strait Islander people who are present today.**

# Who is Andromeda?

## Australia's next leading industrial minerals products company

### Flagship Project

- **The Great White Project (TGWP):** high-grade kaolin asset delivering premium pricing
- **Development ready:** All approvals received to commence development<sup>1</sup>
- **Generational asset:** 28-year life-of-mine (LOM)
- **Strong economics:** \$764m post-tax NPV<sub>8</sub>; 43% IRR; \$193M Capex<sup>2</sup>

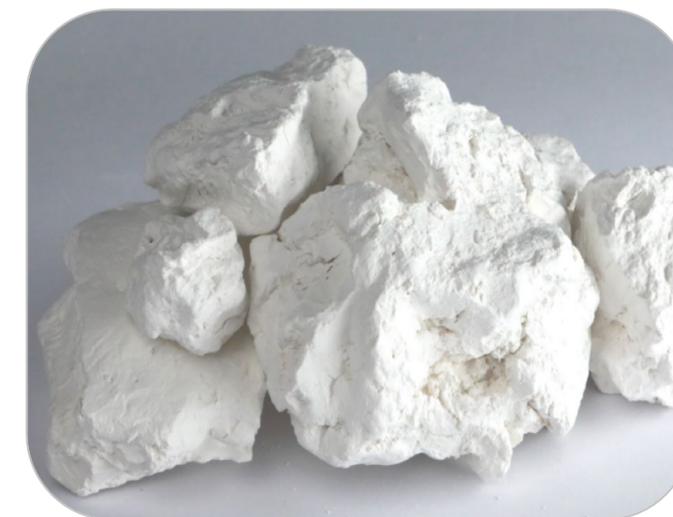
### Kaolin Market Opportunity

- **Large Addressable Market:** +US\$4Bn market (with CAGR of 4%)<sup>3</sup>
- **Challenged Supply:** growing structural supply deficit for high-quality kaolin
- **Attractive long-term trend:** 30 years of low volatility, above CPI price growth<sup>4</sup>

### Strategy

- **Products, not commodities:** “mine to market” response to “market to mine” demand
- **Targeting premium ceramics:** validated by offtake partners at premium pricing
- **Finalising offtakes:** for balance of Stage 1 A+ production
- **Product & volume upside:** targeting additional kaolin applications & LOM expansion

### Andromeda high-grade kaolin



### Delivered into premium ceramics



1. Mining Lease 6532 and Miscellaneous Purpose Lease 164 granted for a period of 35 years on 17 December 2021, by the South Australian Minister for Energy and Mining. Program for Environment Protection and Rehabilitation (PEPR) was approved on 01 March 2023, by South Australia's Department for Energy and Mining. 2. ASX announcement 6 May 2024 "Andromeda expansion plans for The Great White Project" 3. Fortune Business Insights, "Kaolin Global Market Analysis, Insights and Forecast, 2024-2032" (2024) 4. Demonstrated by the US historical Kaolin and Ball Clay PPI published by the US Federal Reserve of St Louis.

# The Great White Project

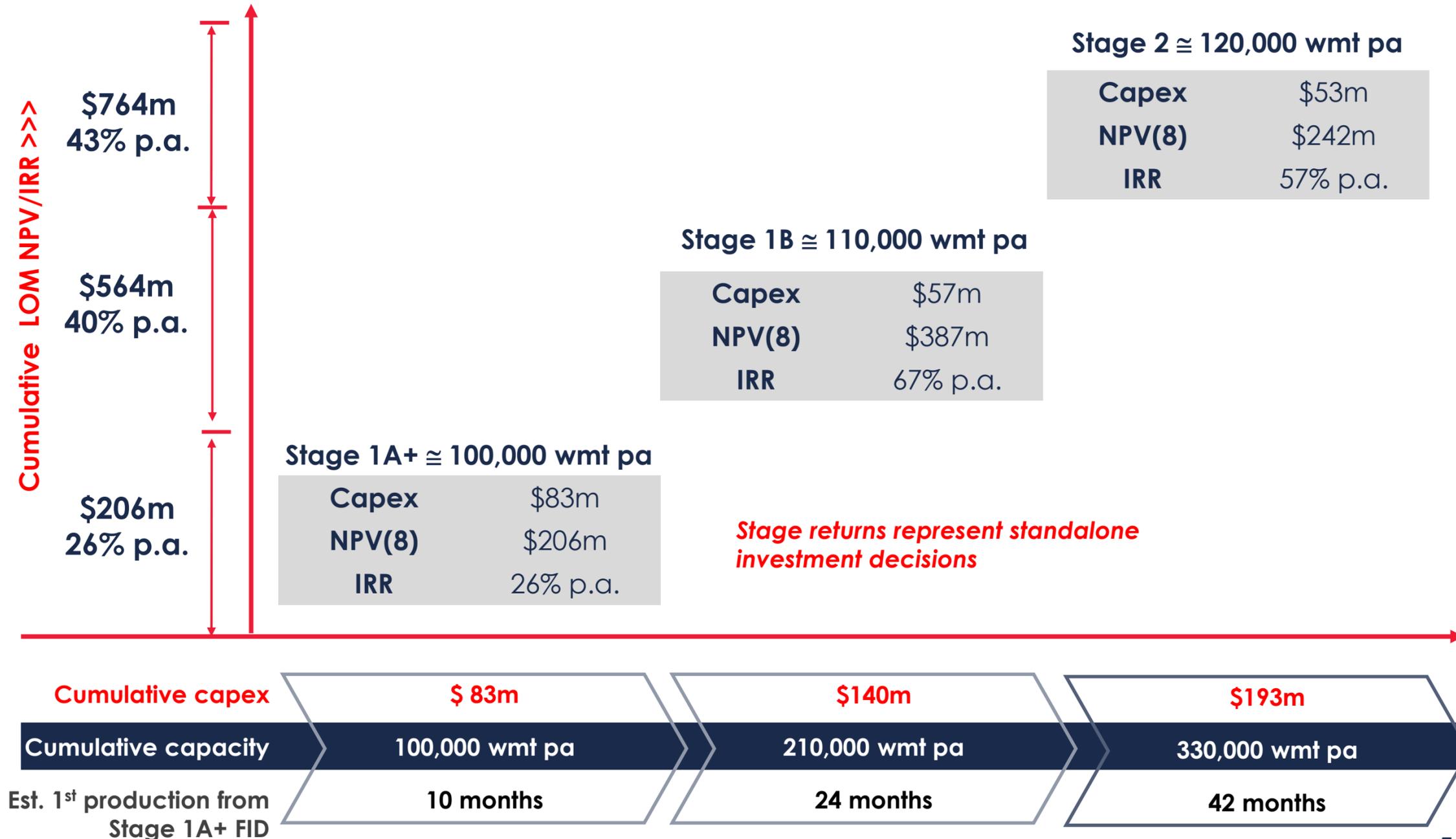
## Staged Delivery of a High-Value Project

### Characteristics

- ✓ High-grade 15.1Mt reserve supporting 28-year mine life
- ✓ Al/Fe ratio: 36.5/0.5
- ✓ Brightness: ISO B 84.0
- ✓ Simple mining with low strip ratio
- ✓ Fully permitted to commence operations
- ✓ Definitive feasibility study complete
- ✓ Low capex hurdle
- ✓ Staged development into market demand



### 3-Stage Development with Robust Economics (NPV 8, real post-tax)<sup>1</sup>

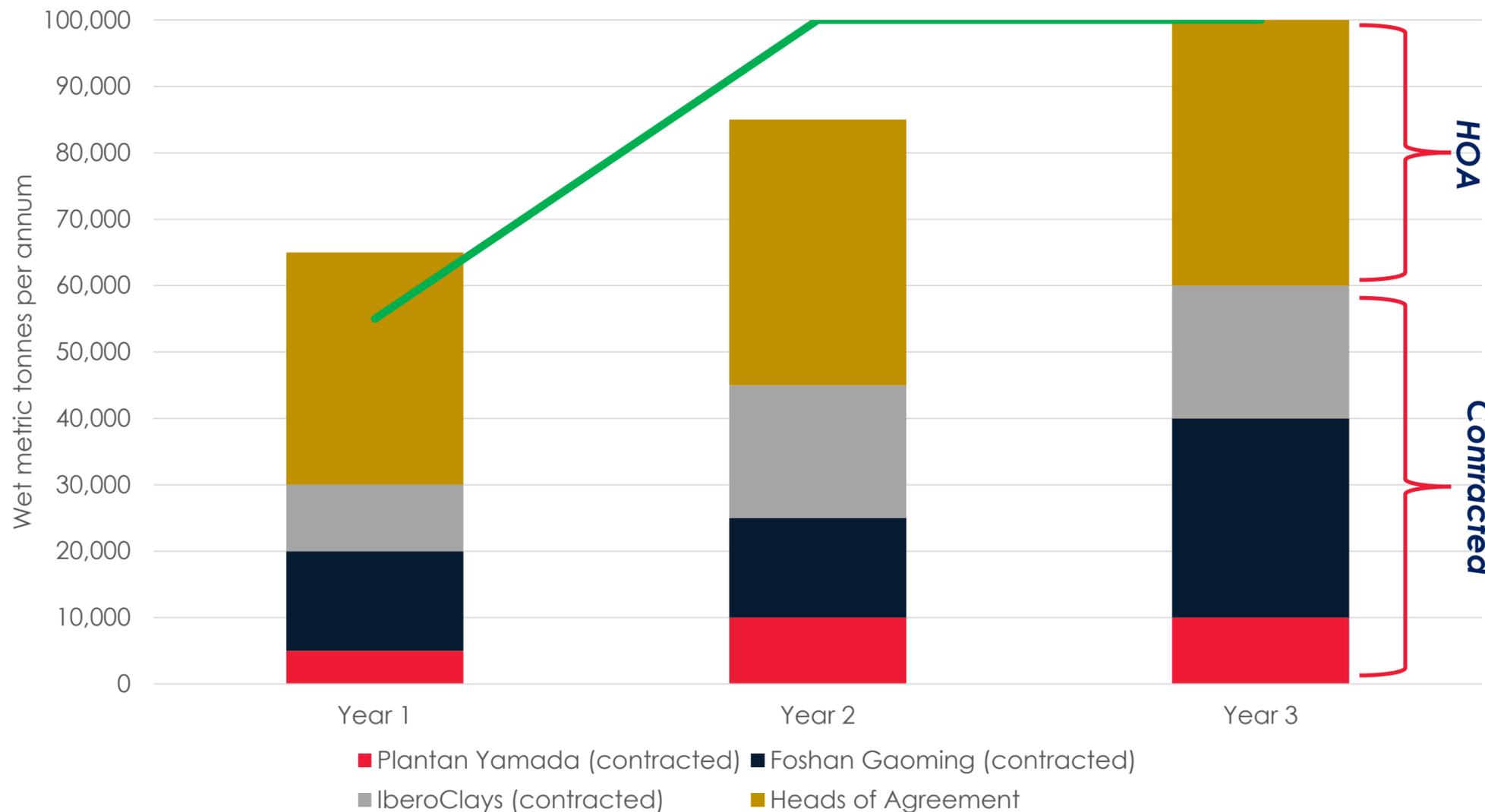


1. Refer ADN ASX dated 6 May 2024 Andromeda expansion plans for The Great White Project

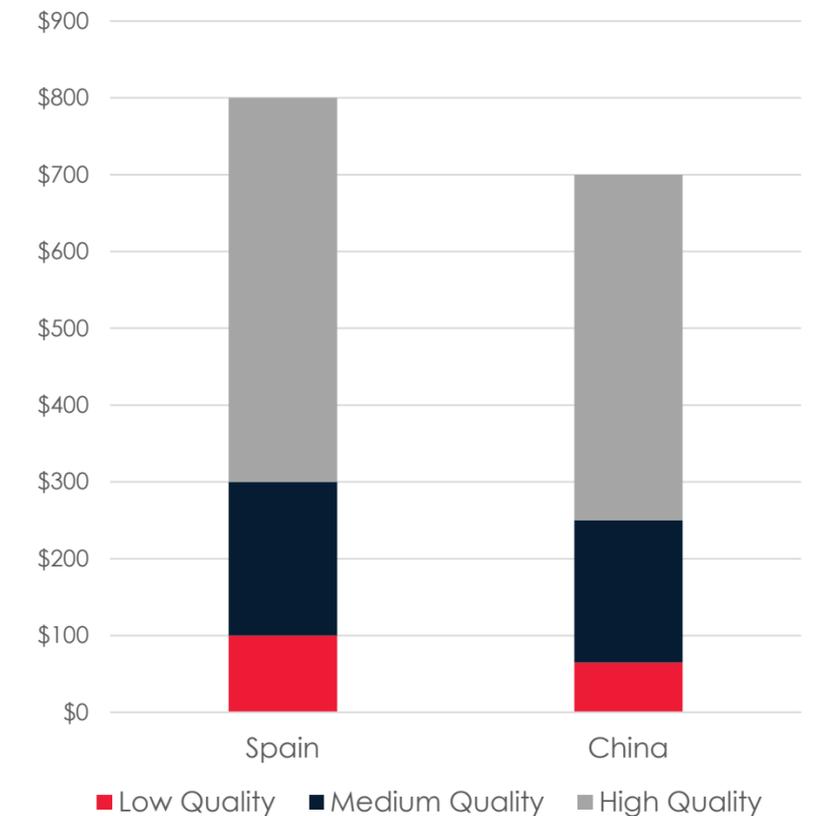
# Stage 1A+ supported by binding offtakes Agreements for Andromeda's premium ceramic kaolins

- Contracted volumes plus Heads of Agreement (HOA), including Traxys which is at an advanced stage for conversion to a binding contract
- Andromeda products pricing at a premium within the high-quality price range

**Evergreen contract volumes>>**



**2022 CIF Price Ranges for Kaolin (USD/t)<sup>5</sup>**



**Kaolin pricing observations:**

- 2023 saw an additional ~10% increase by major global kaolin producers<sup>6</sup>
- Dispersed pricing for high-quality kaolin shows extent that value in use impacts prices
- Narrow range for low quality kaolin prices denotes a more commoditised market

1. Refer ADN ASX dated 8 June 2023 titled Binding Offtake Agreement signed for Japanese market.  
 2. Refer ADN ASX dated 18 October 2023 titled Binding Offtake Agreement signed for Chinese market.  
 3. Refer ADN ASX dated 19 January 2024 titled Binding Sales and Distribution Agreement Signed with IberoClays.  
 4. Refer ADN ASX dated 6 May 2024 Andromeda expansion plans for The Great White Project  
 5. Derived from import data statistics in reports provided to Andromeda by Galesk Consultancy (for Spain) and TZMI (for China).  
 6. KaMin LLC <https://www.kaminllc.com/newsandpress.html>

# What is the Kaolin Investment Proposition?

## Attractive market characteristics

### What is Kaolin?

- White industrial clay utilised as a filler, additive and pigment in a broad variety of industries including ceramics, paper, paint, fibreglass and rubber.
- Large global market: +30Mtpa, +US\$4bn<sup>3</sup>.

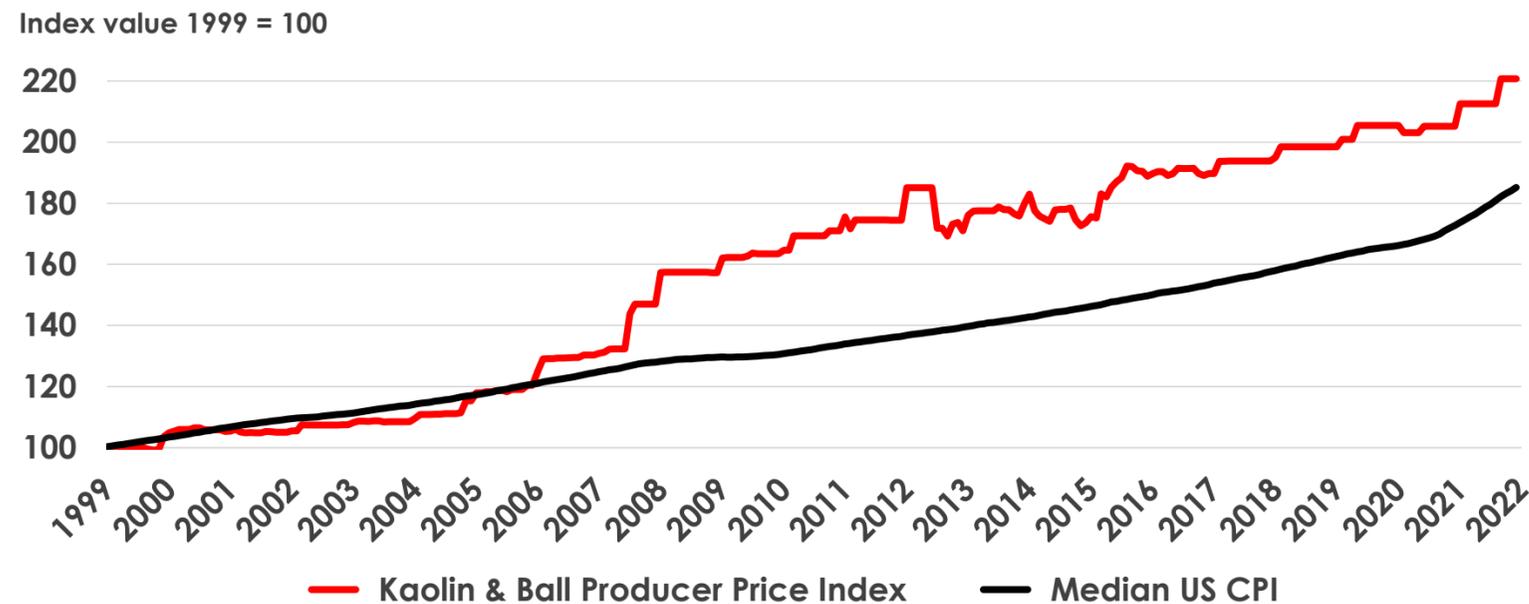
### De-Commoditised Market

- Not a commodity market – product market with large quality and price differentials
- Once a product has an established customer base, demand and price growth is consistent – as demonstrated by US historical Kaolin and Ball Clay PPI (world's largest exporter of high-quality kaolins)

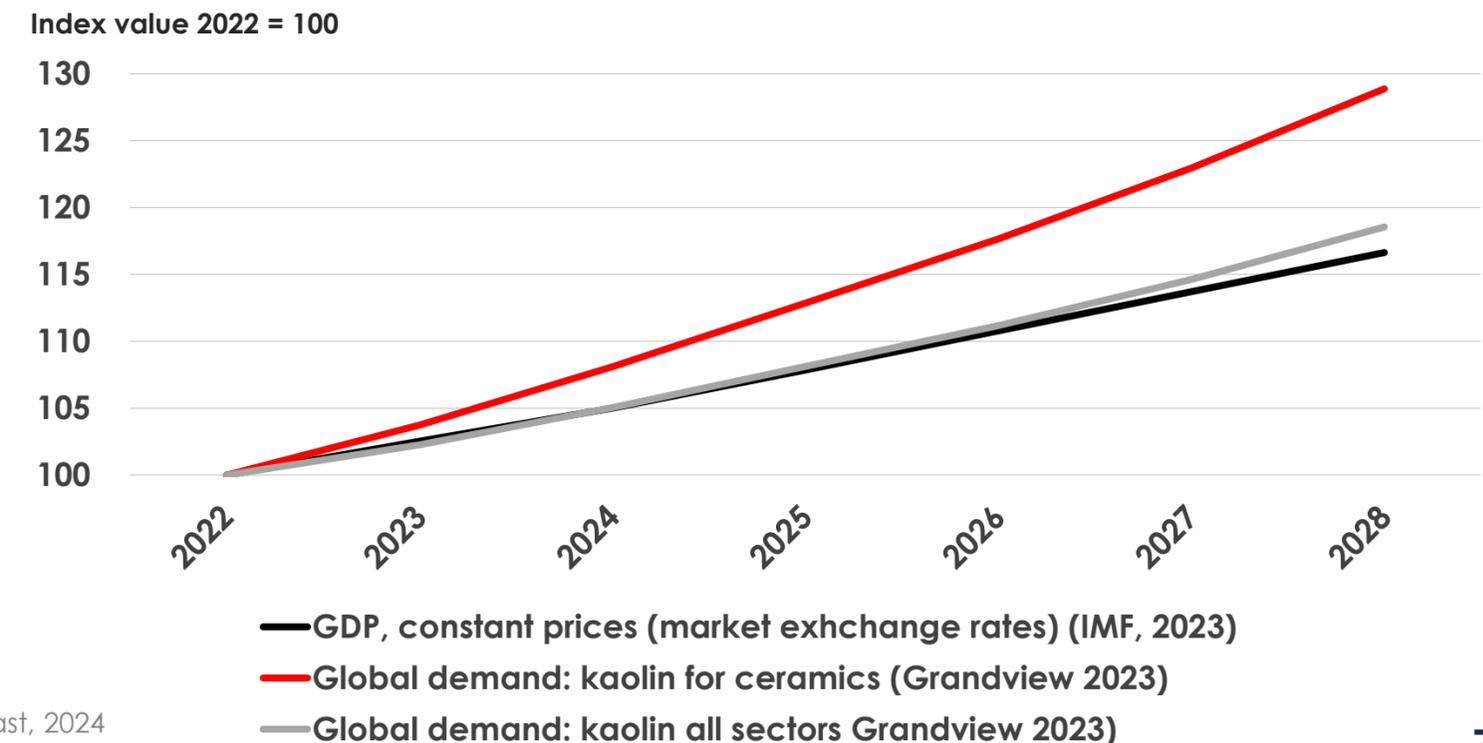
### Positive Supply-Demand Dynamics

- Demand growth > global GDP
- Highest growth segment in Andromeda's targeted ceramics segment (+6% CAGR)<sup>4</sup>
- Long-term supply constraints driven by depletion of high-quality sources in all major production regions
- War in Ukraine supply disruption expected to endure for 5-10 years, historically a leading source of high-quality product to Italy and Spain

US Kaolin & Ball Clay Producer Price Index vs Median CPI<sup>1</sup>



Global GDP vs kaolin demand – index value<sup>3</sup>



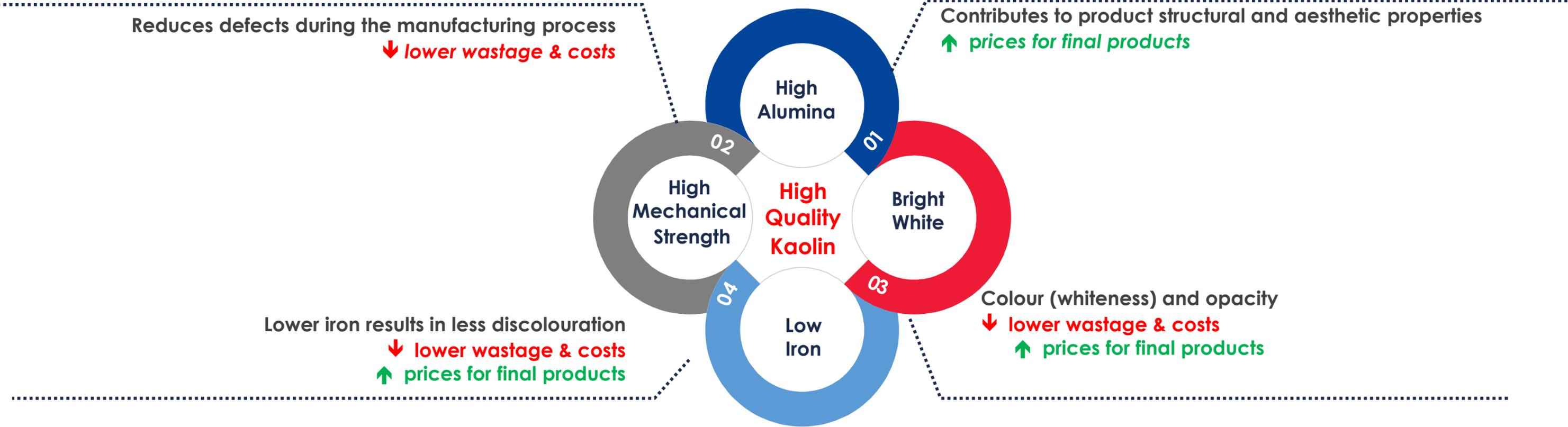
1. Federal Reserve of St Louis, 2. IMF and Grandview 3. Fortune Business Insights, "Kaolin Global Market Analysis, Insights and Forecast, 2024 2032" (2024) 4. TZMI HQ Kaolin Market Study 2024

# What makes a premium ceramics kaolin?

## Delivering high “value in use” to customers

- **Value in use** is the pricing basis for industrial minerals. It quantifies the profit realized through converting a raw material into a finished product.
- **Andromeda has established high value in use and premium price point** with Spain’s Institute of Ceramic Technology and offtakers

### Characteristics of high value-in-use ceramic kaolin products



Alberto Piquer González, CEO IberoClays

“We are excited by the opportunity to launch Andromeda’s high-quality kaolin products for sale into the Mediterranean region. The emergence of The Great White Project as a new source of supply comes at a **crucial time in global kaolin markets**. Ongoing geopolitical supply disruptions, in addition to the **depletion of traditional high-quality sources of supply**, is seeing **elevated pricing for high-quality kaolin** that can be used in ceramics.”

## Premium products for established markets + product development upside

### Current Products

- **Great White CRM™** line of premium ceramic kaolin products
- Sold under offtakes which underpin our revenue line and NPV
- Validated<sup>1</sup> to offer exceptional value in use in porcelain tableware; large format porcelain ceramic tiles and glazes; and super and ultra-white premium porcelain tiles and slabs.



**Low Iron/Alumina ratio**  
( $\text{Fe}_2\text{O}_3/\text{Al}_2\text{O}_3$ ) vs global kaolin samples<sup>1</sup>



**High dry mechanical strength** is highly valued in **large format porcelain tiles**



**High whiteness** retained which is valued in **high quality porcelainware and ceramic tiles**

### 2 x Products under Development

- 2 products in development which offer higher potential value in use than Great White CRM™, for **zero net incremental capex**

#### **Great White CRM™ as zircon replacement**

- Micronised zircon use in formulations for high end tiles and slabs
- Test work by IberoClays and ITC supports a 10-20% reduction in zircon through replacement with Great White CRM™
- Current price of zircon at €2,300/t supporting high potential value in use and premium pricing
- 100-200ktpa addressable market

#### **Great White HRM™ for concrete decarbonisation**

- Independent Study results: 1 kg of Great White HRM™ per cubic metre in standard concrete mix reduces cement and water use by ~8%
- Estimated 7% reduction in carbon footprint
- Strategic Alliance Agreement for commercialisation with Hallett Group
- Conditional offtakes: subject to validation, with IberoClays (2k tpa)<sup>2</sup> and IMCD (10k tpa)<sup>3</sup>

1. As determined by testing conducted on Great White CRM™ by IberoClays and the Institute of Ceramic Technology (ITC), located at the University of Castellón in Spain.

2. Refer ADN ASX dated 19 January 2024 titled Binding Sales and Distribution Agreement Signed with IberoClays.

3. Refer ADN ASX dated 21 November 2022 titled Andromeda Signs Offtake Agreement for Great White Concrete Additives.

# Developing an Industrial Minerals Company

## What are the key value drivers?

**Common Value Drivers**



**Industrial Minerals Value Drivers**

### What is required?

- High Quality Deposit
- Experienced Board & Management
- Permitting
- Economically Robust Feasibility
- Favourable Capex Hurdle
- Clear Development Strategy



### Does Andromeda have what it takes?

- High Brightness, High Alumina, Low Iron, High Mechanical Strength
- In-house project team and board have successfully delivered projects
- Fully permitted to commence operations
- A\$764m post-tax NPV<sub>8</sub>; 43% IRR
- A\$193m capex achievable for a junior and expended in 3 stages
- 3 stage development in line with expected offtake volume growth

- Market to Mine Understanding
- Mine to Market Response
- Product Validation
- Offtake Strategy
- Upside Product Development



- Kaolin markets have multiple segments and product qualities. Andromeda has a clear understanding of where to play to extract maximum value.
- Ceramics product suite and mine plan developed in response to market.
- Ceramics products validated by industry experts and customers.
- Firm volume and price offtakes (balance for 100% of Stage 1A+ in progress).
- Technical validation of new products for zero incremental capex.

## Experienced Board & executive team to execute Andromeda's strategy

### Board of Directors



**Mick Wilkes**  
Independent Non-Executive Chair



**Bob Katsioularis**  
CEO & Managing Director



**Austen Perrin**  
Non-Executive Director



**Sue-Ann Higgins**  
Non-Executive Director

### Executive Management



**Joe Ranford**  
Chief Operating Officer



**Sarah Clarke**  
General Counsel & Company Secretary



**Pascal Alexander-Bossy**  
Chief Financial Officer

### CEO Transition

- Bob Katsioularis stepping down for personal reasons on July 31.
- Luke Anderson to start as CEO & Managing Director on August 1. Highly experienced industrial minerals & logistics executive:
  - ✓ CEO of One Rail Australia
  - ✓ CFO of OZ Minerals
  - ✓ CEO of Unimin Corporation, one of the largest industrial minerals company in North America

**No change in strategy. We remain committed to developing The Great White Project as a producer of premium kaolin for the ceramics industry**



# Andromeda

## The Great White Mineral Company

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For more information about the Company, please visit our website, [www.andromet.com.au](http://www.andromet.com.au) or contact:

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