



Andromeda Metals Limited ASX: ADN ASX Announcement

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2023 DFS investor presentation and webcast details

Andromeda Metals Limited (ASX: ADN) (Andromeda) advises investors that Bob Katsioularis, CEO and Managing Director, will present and discuss the results of the 2023 Definitive Feasibility Study (2023 DFS) for The Great White Project, later today.

Investors will find the presentation annexed to this announcement.

Investors can access the webcast via the following:

When: Monday, 28 August 2023
Time: 1:00pm AEST (12:30pm Australian Central Time)
Webcast: <https://edge.media-server.com/mmc/p/iue38vqk>

(Link will also provide access to post event recording.)

Following the presentation, investors will be invited to ask questions during a Q&A session.

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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Andromeda

The Great White Mineral Company

Results of the 2023 DFS for
The Great White Project

ASX:ADN

andromet.com.au

Level 10, 431 King William Street, Adelaide, South Australia 5000
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Authorised for release by the Board of Andromeda Metals Ltd





Assumptions and Notes for Financial Information in this presentation:

- The 2023 DFS financial model methodology has been verified by an independent financial consultant.
- A discount rate of 8% has been used.
- A revised foreign exchange rate of AUD:USD 0.675 (2022 DFS 0.74) has been applied.
- Product pricing is commercially sensitive and legally restricted and has not been disclosed in this document.
- The Great White Project results in Table 1 of this document are based on the same Ore Reserve reported with the 2022 DFS. The Ore Reserve estimate supporting the production targets and in turn the forecast financial information based on those targets, has been prepared by a Competent Person in accordance with the JORC Code requirements. Accompanying Competent Persons consent statements for this document applicable to the JORC 2012 Code for the publication of the Ore Reserve estimate are included at the end of this Announcement.
- The Ore Reserve estimate classified as being Proven has been derived from the Mineral Resource classified as Measured only. The Ore Reserve estimate classified as being Probable has been derived from the Mineral Resource classified as Indicated only. The Ore Reserve comprises of 34% Proved Reserve and 66% Probable Reserve (Table 2). The Production Target comprises of 34% Proved Reserve, 65% Probable Reserve and 1% Inferred Resources. Inferred Resources are not included in the Reserve and are not considered within the pit design process. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources of that production target itself will be realised.
- Metallurgical test work has been completed by reputable laboratories experienced in kaolin processing. This testwork supports modifying factors applied in the Ore Reserve estimate.
- The mining process has been based on Measured and Indicated Mineral Resources reported in accordance with the 2012 JORC code, together with mine designs and scheduling, geotechnical parameters and mining equipment determined from experienced mining engineers.
- The processing plant design has been developed by Andromeda personnel with experienced process engineers to support the flowsheet and the predicted yield, throughput, and production estimates of The Project.
- The infrastructure requirements have been defined by specialist engineers in conjunction with The Project Team.
- The detailed designs discussed in the 2023 DFS have been used as the basis for capital and operating costs estimates which have been corroborated by suppliers, contractor and vendor quotes.
- A Corporate tax rate of 30% has been assumed.
- The new mine royalty rate of 2.00% will apply until 30 June 2026 and then increase to 3.5% thereafter.
- Corporate costs of \$1m per annum have been allowed for in respect of charges for centralised services and resources that may be utilised, such as accounts payable, legal, marketing and project management.
- No allowance has been made for the following items in the operating cost estimate:
 - Exchange rate variations
 - Escalation
 - Project financing costs
 - Interest charges
- All goods and services tax (GST), import duties, surcharges and any other statutory taxation, levies or government duties are excluded.
- No allowance for contingency has been made in the operating cost estimates.
- The mining method will be conventional earth moving.
- The processing method will be blunging, separation, dewatering, product drying and packaging.
- The Company will receive all authorisations required to sell industrial sand and increase processing of kaolin ore beyond 300,000 tonnes per annum.
- The average annual processing rate will be ~93,000 tpa (17 months), ~298,000 tpa (2 years) ~504,000 for 2 years and 612,000 tpa (21.5 years).
- Average annual saleable production 45,000 tpa (17 months), 142,000 tpa (2 years), 250,000 tpa (2 years) 297,000 (21.5 years).
- Mine life is 28 years.
- Accuracy of data is to +/-15%.

Disclaimer and qualifications

The information in this presentation is derived from the 2023 DFS, which was prepared for the sole and exclusive benefit of Andromeda. Any other use or reliance on the information derived from the 2023 DFS by any third party is at that party's sole risk.

The 2023 DFS (and hence the information in this presentation) contains the expression of professional opinion based on information available at the time of preparation. The quality of the information, conclusions and estimates are consistent with the intended level of accuracy, and are subject to the assumptions, qualifications and disclaimers described in the 2023 DFS and this presentation. Information in this presentation may be subject to change without notice.

Forward-looking statements

This presentation contains or may contain certain forward-looking statements and comments about future events, that are based on Andromeda's beliefs, assumptions and expectations and on information currently available to management as at the date of this presentation. Often, but not always, forward-looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "plan", "believes", "estimate", "anticipate", "outlook", and "guidance", or similar expressions, and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production and production potential, financial forecasts, product quality estimates of future Mineral Resources and Ore Reserves.

Such statements are only expectations or beliefs and are subject to inherent risks and uncertainties which could cause actual values, results or performance achievements to differ materially from those expressed or implied in this presentation.

Where Andromeda expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and on a reasonable basis. No representation or warranty, express or implied, is made by Andromeda that the matters stated in this presentation will in fact be achieved or prove to be correct. Except as required by law, Andromeda undertakes no obligation to provide any additional or updated information or update any forward-looking statements whether on a result of new information, future events, results or otherwise.

Readers are cautioned against placing undue reliance on forward-looking statements. These forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of Andromeda, the directors, and management of Andromeda. These factors include, but are not limited to difficulties in forecasting expected production quantities, the potential that any of Andromeda's projects may experience technical, geological, metallurgical and mechanical problems, changes in market prices and other risks not anticipated by Andromeda, changes in exchange rate assumptions, changes in product pricing assumptions, major changes in mine plans and/or resources, changes in equipment life or capability, emergence of previously underestimated technical challenges, increased costs, and demand for production inputs.

Accuracy

The 2023 DFS (and hence the information in this presentation) has been prepared to an overall level of accuracy of approximately +/-15%, guided by the requirements of the Australian Institute of Mining and Metallurgy (AusIMM) guidelines (AusIMM 2012. Cost Estimation Handbook Second Edition, Monograph 27).

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).

No warranty

While care has been taken in preparing the information in the 2023 DFS (and hence this presentation), no representation or warranty, express or implied, is made as to the currency, accuracy, reliability, completeness or fairness of the information, opinions and conclusions contained in the 2023 DFS or this presentation. The information in the 2023 DFS and this presentation has been obtained from or based on sources believed by Andromeda to be reliable. This includes references to test results and reports completed by external parties.

Information in the 2023 DFS (and hence this presentation) which is attributed to, or derived from, a third-party source has not been independently checked or verified by Andromeda. No representation or warranty is made as to the accuracy, completeness or reliability of such information.

To the maximum extent permitted by law, neither Andromeda nor its related corporations, Directors, officers, employees, advisers or agents, nor any other person, accepts any liability, including, without limitation, any liability arising from the use of the 2023 DFS or this presentation or their respective contents or otherwise arising in connection with them, nor guarantees or makes any representations or warranties, express or implied, as to or takes responsibility for, the currency, accuracy, reliability, completeness or fairness of the 2023 DFS or this presentation nor the information, opinions and conclusions contained in the 2023 DFS or this presentation.



Third party data from consultants and government agencies

Andromeda has relied on information provided by specialist consultants and government agencies in preparing the 2023 DFS and 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.

Third party data on markets and pricing

The 2023 DFS (and hence this presentation) uses information from third parties pertaining to the kaolin industry, forecast pricing, market segments and end-markets in which Andromeda intends to operate (**Market Data**). This information has been substantially derived from market research prepared by third parties.

The Market Data includes assumptions, estimates and generalisations that the Company believes to be reliable, but no representation or warranty is made as to the accuracy, completeness or reliability of such information. Due to the forward looking nature of the Market Data, it may not necessarily reflect actual market conditions and there is no guarantee that any forward looking statements in the Market Data will prove to be correct or will be achieved.

Andromeda has not independently verified the Market Data and the Company cannot give any assurances to the accuracy or completeness of this information or the underlying assumptions used in generating this information. Industry assumptions, forecasts and estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed in the risk factors set out in this presentation.

Additional authorisations/certification

Additional authorisations or certification is required for certain activities described in this presentation, including:

- a. the current Program for Environment Protection and Rehabilitation (PEPR) covers a 13 year mine life, with processing of 300,000 tonnes per annum of kaolin ore, so any increase or change to this will require a new PEPR;
- b. the sale of sand products as extractive minerals, which is not currently authorised under Mining Lease 6532 (and will require a change in operations) or under the PEPR (which would need to be updated and approved by DEM accordingly)
- c. the sale of Great White HRM™ into Europe, which will require certification.

Andromeda has no reason to believe that such additional authorisations and certifications will not be forthcoming, but no guarantee can be given on this, including as to timing.

No investment or financial product advice

The information contained in this presentation does not constitute investment advice or financial product advice (nor taxation or legal advice) and is not intended to be used as the basis for making an investment decision or as a recommendation to acquire securities in Andromeda.

The information contained in this presentation should not be relied upon as a recommendation or forecast by Andromeda (including as to the performance of Andromeda or its share price). Readers should obtain their own professional advice and carry out their own independent investigations and assessment of the information in this presentation (including any assumptions) before acting.

An investment in Andromeda is subject to investment and other known and unknown risks, some of which are beyond the control of Andromeda including loss of income and principal invested.

This presentation has been prepared without taking into account any particular person's objectives, financial situation or needs; does not purport to identify the nature of specific market or other risks associated with any investment in the Company and does not constitute any legal, taxation, investment or accounting advice.

An investment in Andromeda's securities is subject to investment and other known and unknown risks, some of which are beyond the control of Andromeda including loss of income and principal invested. Any investment decision should be based only on a person's own due diligence, inquiry, assessment and professional advice.

Readers should have regard to Executive Summary Section 15 (released on ASX on 24 August 2023) for further information about risks applicable to Andromeda.

Mineral Resources and Ore Reserves Estimates

As an Australian company with securities listed on the Australian Securities Exchange (ASX), Andromeda is subject to Australian disclosure requirements and standards, including the requirements of the Corporations Act and the ASX. Investors should note that it is a requirement of the ASX listing rules that the reporting of ore reserves and mineral resources in Australia comply with the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code) and that the Ore Reserve and Mineral Resource estimates underpinning the production targets in this presentation have been prepared by a Competent Person in accordance with the JORC Code.

Information that relates to Mineral Resource Estimate has been previously announced to ASX on 26 November 2020, "Updated Mineral Resource for the Great White Kaolin Project" and, information that relates to Ore Reserve Estimate has been previously announced to ASX on 6 April 2022, "Great White Kaolin Project – Definitive Feasibility Study and Updated Ore Reserve" both available at <https://www2.asx.com.au/markets/company/adn>. Andromeda confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

Modifying Factors

Modifying factors under the JORC Code (mining, processing, transport and shipping, refining, marketing, infrastructure, environment, legal, social and commercial) have been considered in the 2023 DFS and hence this presentation and the Ore Reserve estimation.

Competent Person's Statements

The data in this presentation that relates to Mineral Resource estimates for The Great White 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 the 2023 DFS.



Acknowledgement of Country

Andromeda recognises the Kaurna people of the Adelaide Plains and the Wirangu people of South Australia's Eyre Peninsula as the Traditional Owners and Custodians of the lands on which we operate.

We pay our respect to Elders past and present, and recognise their cultural heritage, beliefs and relationship with the land, waterways and sky.

We also extend that respect to other First Nations people who are present here today.

2023 DFS delivers a 65% NPV increase to \$1.01 Billion¹

Average annual EBITDA increased by 59% to \$130 million

The 2023 DFS follows a comprehensive commercial strategy review and approach to developing the world-class, high quality halloysite-kaolin of The Great White Deposit.

Improvement in Net Present Value (**NPV**) compared to the 2022 DFS is driven by:



Capitalising on Core and Complementary products

Enhanced product mix and partner portfolio

Established high value-in-use of Andromeda products in key market segments



Responsive to macro- and microenvironment trends

Strengthened global prices driven by geopolitical risk and global and regional supply shortages



Focused on enhancing value

Supports an accelerated sales profile and reduced costs across the Life of Mine (LOM)

Improved weighted average product margin by 34% to \$450/tonne of product



Safe and sustainable development

Adopting a low-impact approach to processing and mining

Plan to improve Scope 1 and Scope 2 emissions, to meet or exceed global industry benchmarks



2023 DFS – Key Metrics Comparisons to 2022 DFS

Compelling Project Economics

Enhanced product portfolio and pricing environment has resulted in **revenue increase of 32% to \$6.2 billion**

Product pricing determined based on existing **offtake agreements, market and technical product validation** by independent consultants, **customer product validation, market research** and **market forecast data** from TZ Minerals International Pty Ltd

Resultant **payback period improved to 5.1 years** from 5.9 years

Reported on a pre-tax basis, given Andromeda has **\$191 million in available tax losses** to June 2022, **reducing taxes payable on any future profits**, subject to the normal tax rules to carry forward losses

2022 DFS		2023 DFS
\$613 million	NPV ₈ +65%	\$1,010 million
\$4,706	Revenue +32%	\$6,207 million
300,000 tpa	Kaolin Production Target ² 0%	300,000 tpa
15.1Mt	Ore Reserve ³ 0%	15.1 Mt
28 years	LOM 0%	28 years
\$337 / tonne	Weighted Average Product Margin ⁴ +34%	\$450 / tonne
\$82 million	Average Annual EBITDA +59%	\$130 million
\$207 million	Capital Costs ⁵ -9%	\$188 million
\$26 million	Sustaining Capital +36%	\$35 million
36%	IRR +9%	45%
5.9 years	Payback Period ⁶ -14%	5.1 years

The 2023 DFS financial model methodology has been verified by an independent financial consultant.

All dollar values are undiscounted other than NPV₈

² Kaolin final production volume as measured in tonnes per annum (tpa) and excludes sales of industrial sand.

³ JORC compliant Ore Reserve remains as lodged in ADN ASX announcement dated 6 April 2022 titled Great White Kaolin Project - Definitive Feasibility study and Updated Ore Reserve.

⁴ Includes incremental revenue from sales of Industrial Sand co-product in the calculation.

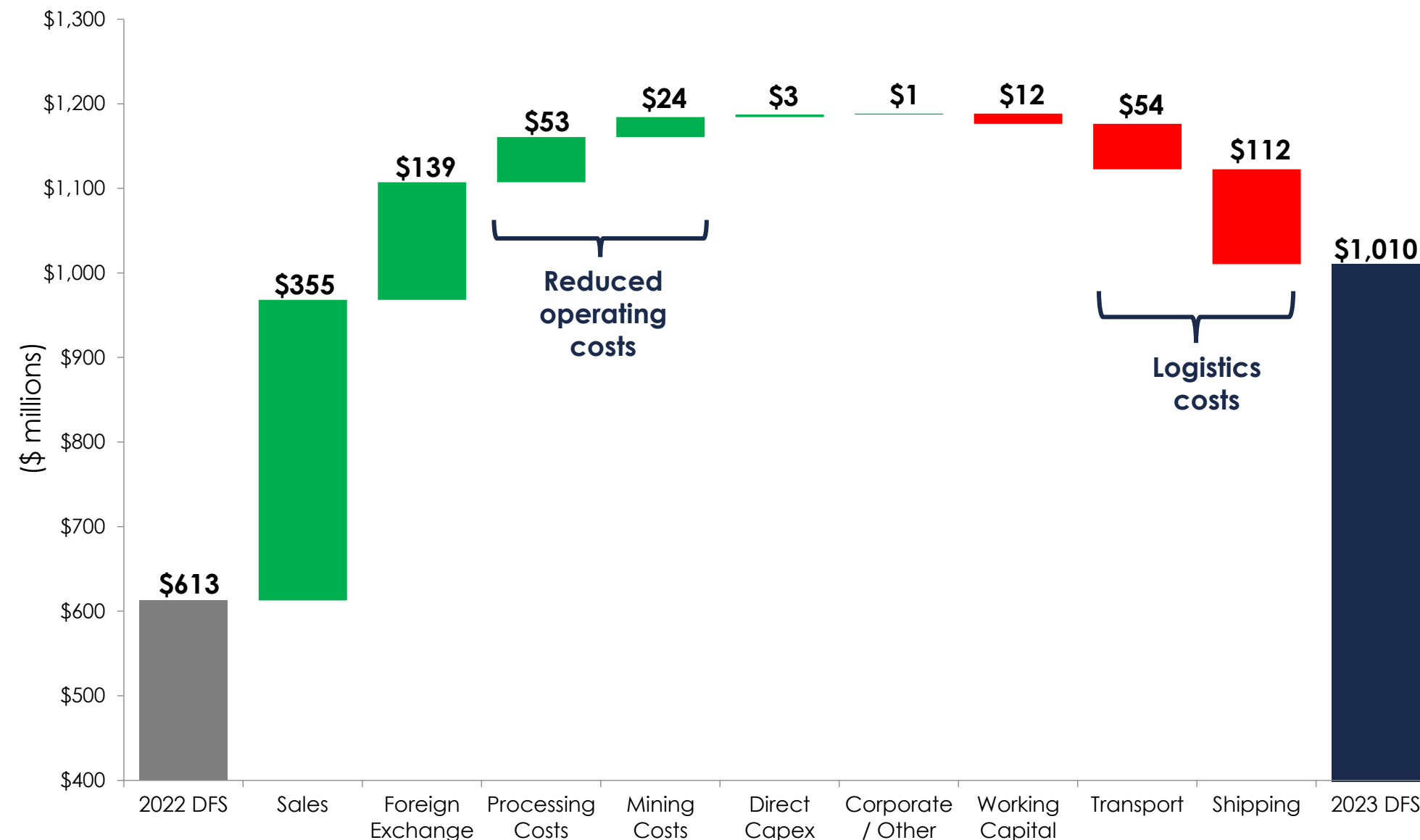
⁵ Capital costs of \$3.1 million have been incurred since the 2022 DFS for capital items (long lead items) and land related payments. In addition, capital costs in 2023 DFS have been impacted by favourable product mix.

⁶ Payback period includes capital costs of Stages 1A, 1B and 2. Capital costs of Stage 3 intended to be funded by cash flows from The Project.

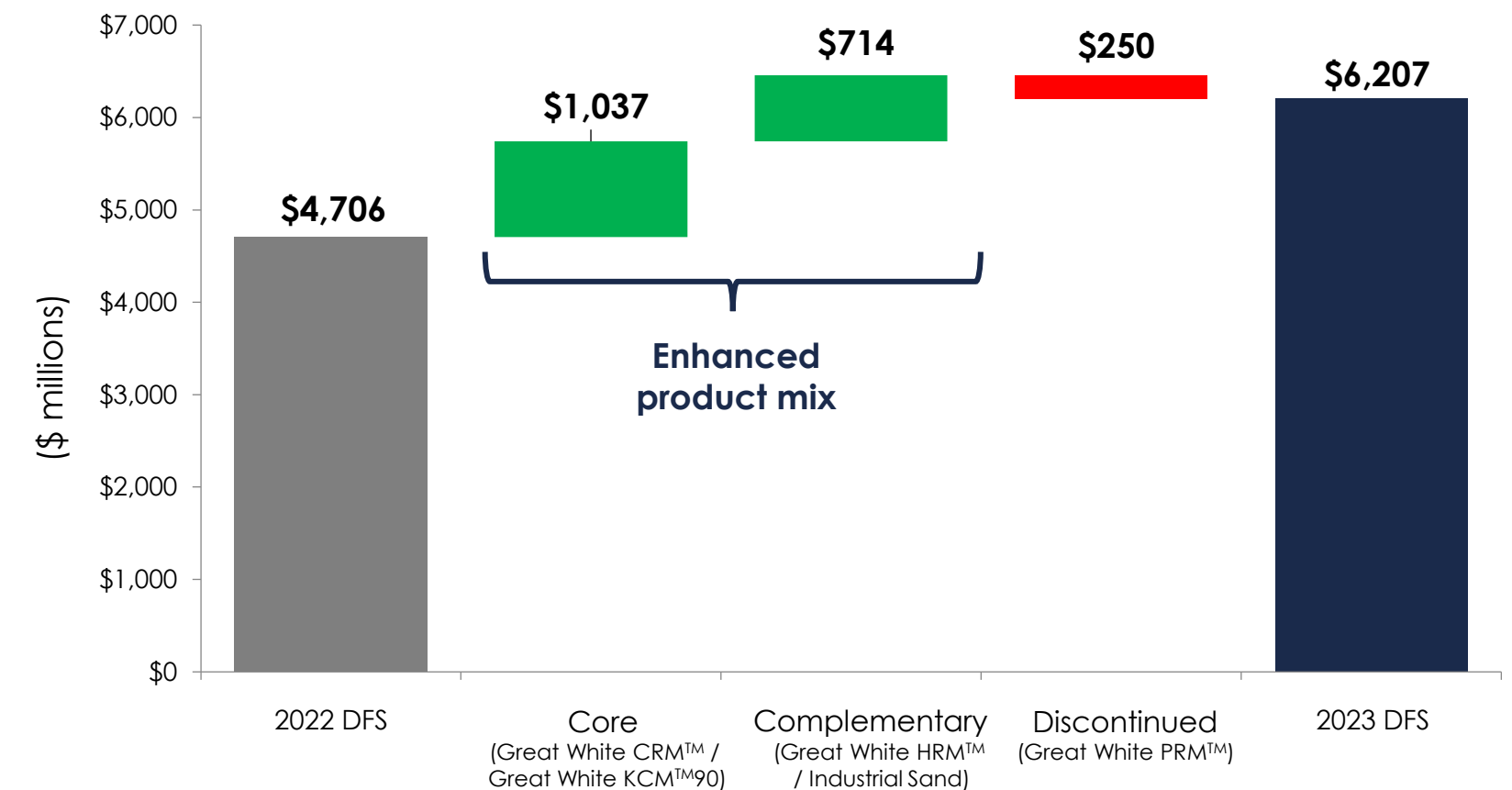
Improvements driven by enhanced sales and product mix

Supported by more favourable foreign exchange and operating costs, with logistics costs impacted by product mix

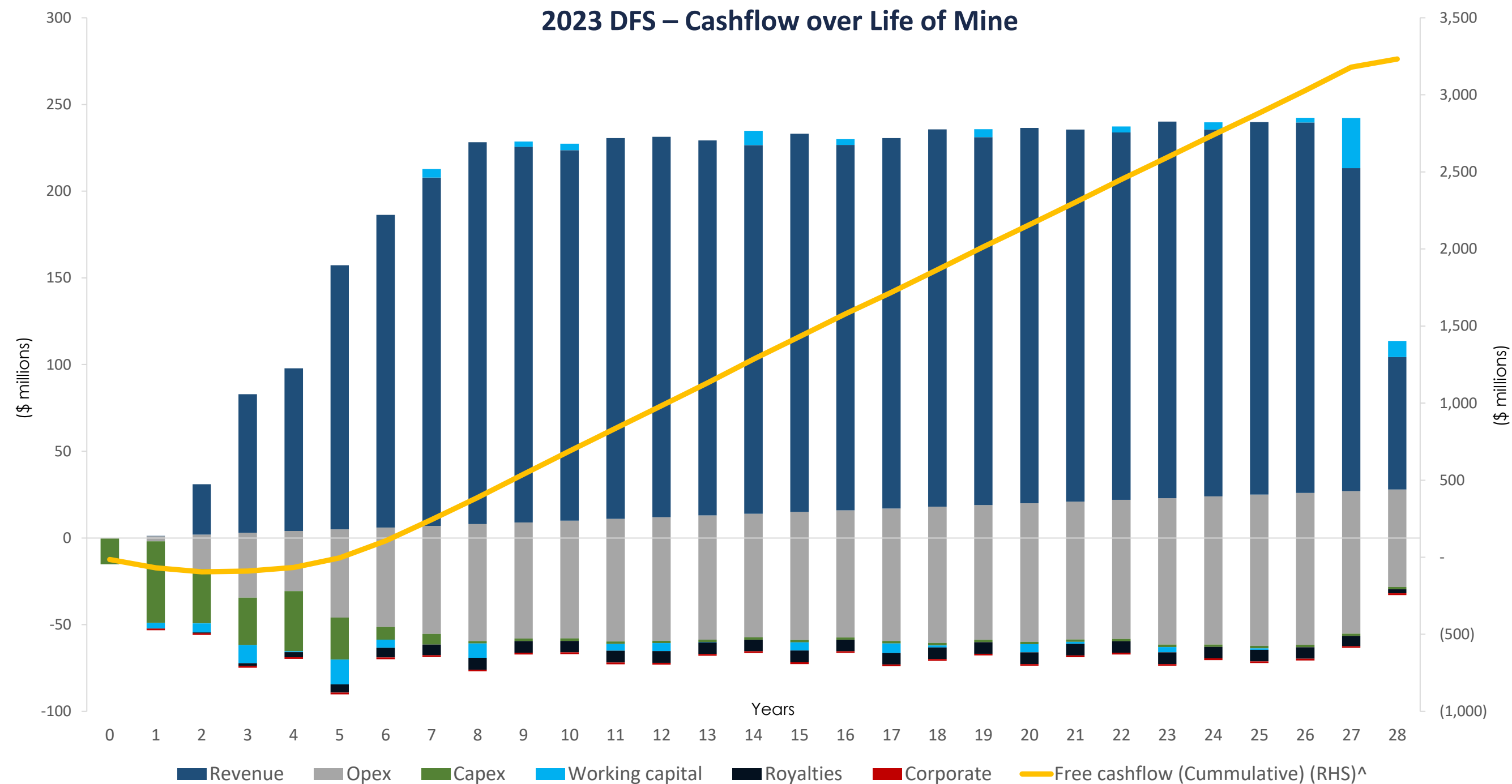
NPV – 2022 DFS vs. 2023 DFS



Revenue – 2022 DFS vs. 2023 DFS



Strong cashflows over 28 years LOM



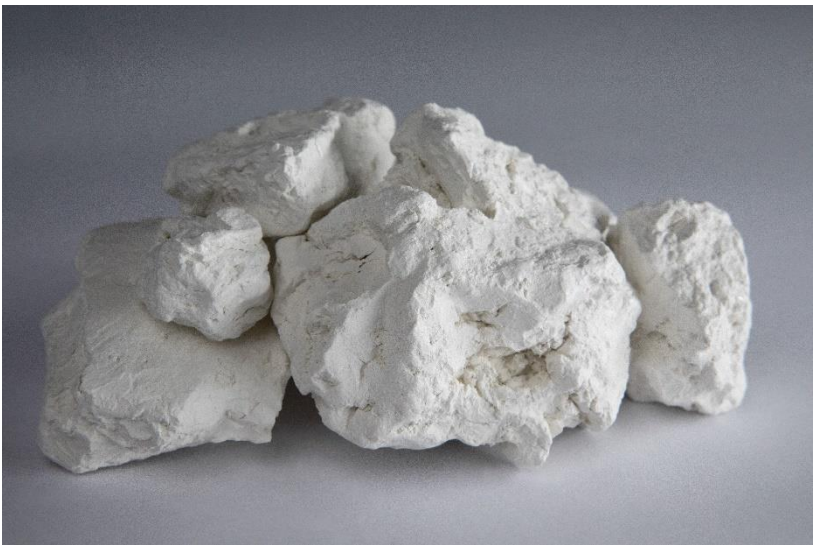
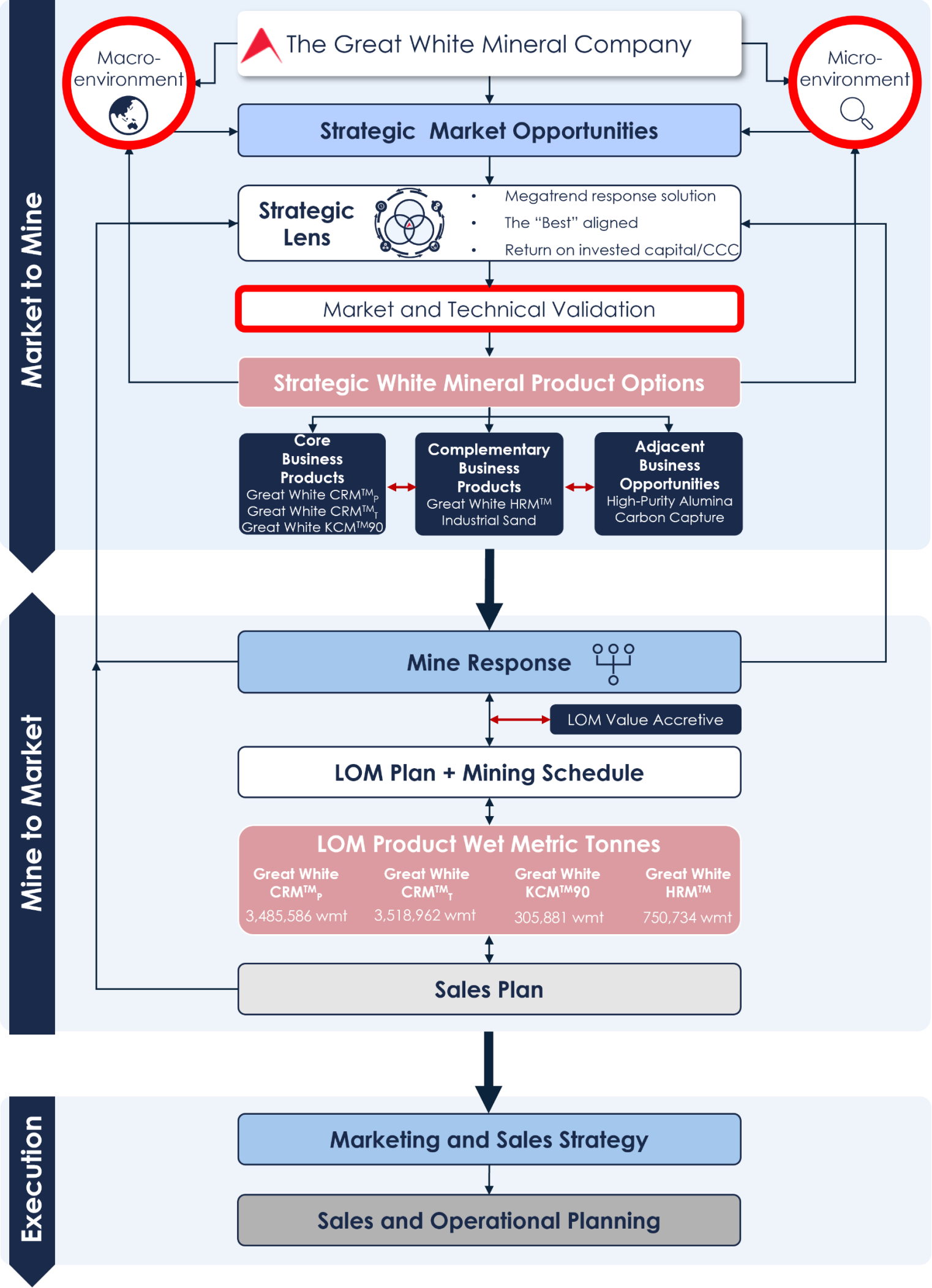
Improvement in payback
period to 5.1 years⁶ driven by
increased margin and
reduced capital costs

⁶ Payback period includes capital costs of Stages 1A, 1B and 2. Capital costs of Stage 3 intended to be funded by cash flows from The Project.

[^] RHS relates to refer to axis on right-hand side of chart

Key driver of the 2023 DFS is the Commercial Strategy review

Identified a **product portfolio** that **balances a rigorous segmented market to mine approach** with a **disciplined and optimised mine to market response**.

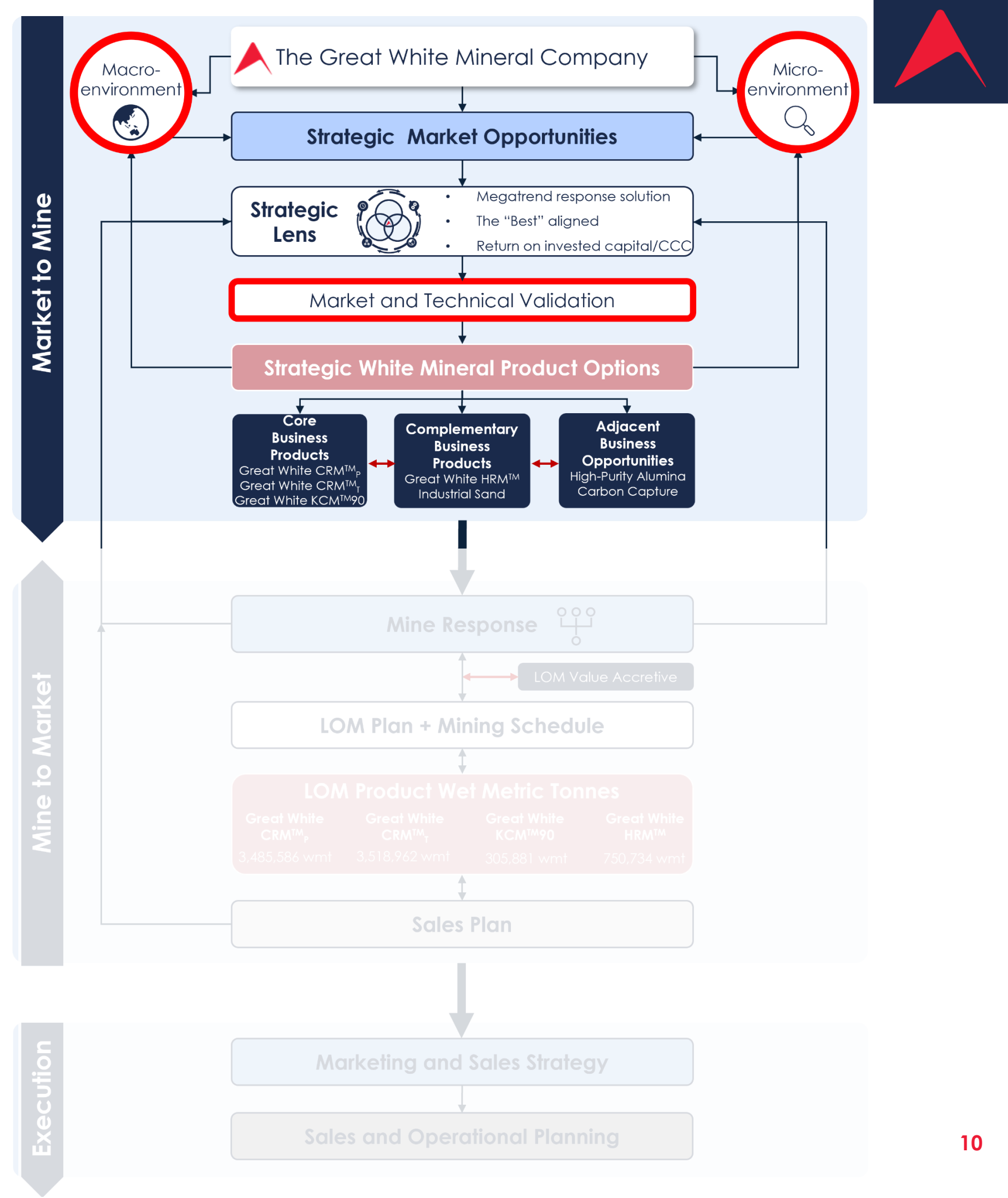


Market to Mine

- Key **macroenvironment** and **microenvironment** drivers to understand **strategic market opportunities**
- **Strategic Lens** decision-making tool to **identify strategic white mineral product options**
- **Market and technical validation** to determine **value in use** (VIU) across **target market segments**
- Capitalise on **Core** and **Complementary** business products, and consider **Adjacent** business opportunities

Core Business Products
Great White CRMTM_P
Great White CRMTM_T
Great White KCMTM90

Complementary Business Products
Great White HRMTM
Industrial Sand



Strengthening global prices

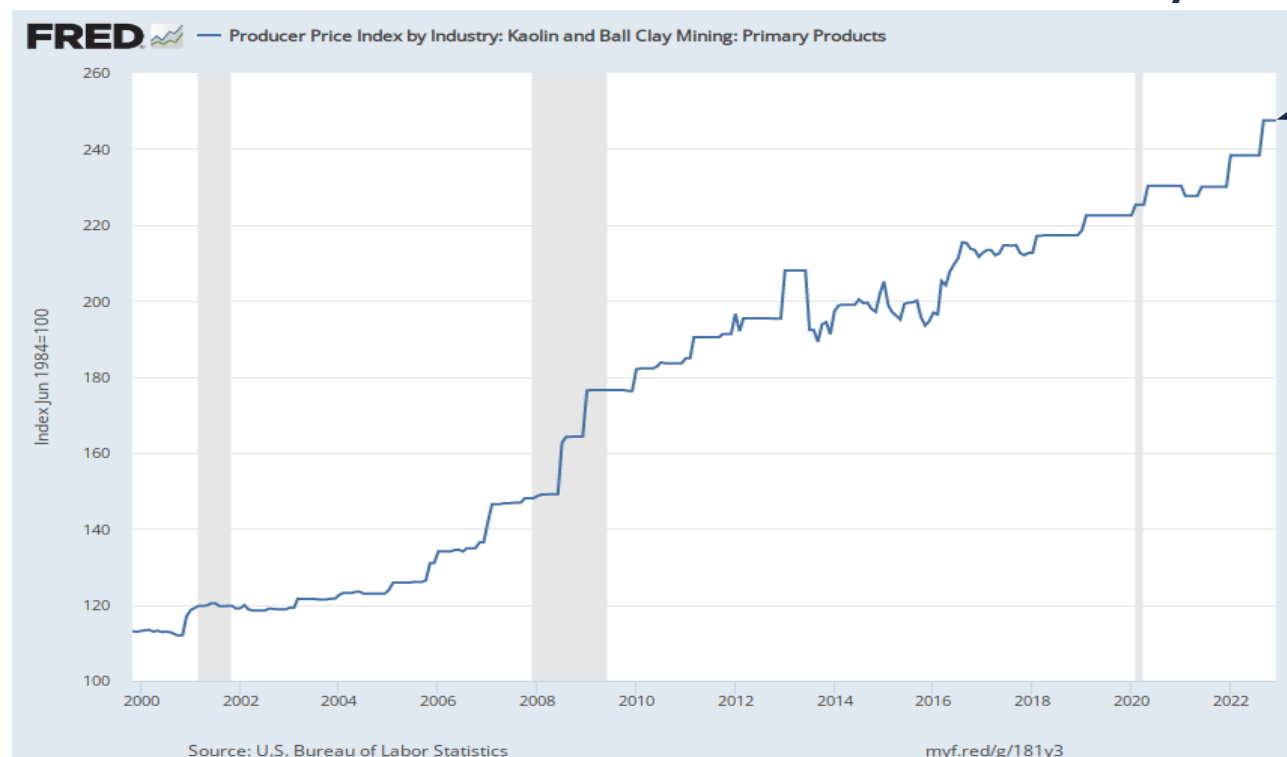
Driven by geopolitical risk and global and regional supply shortages

Ukraine, a word leader in **high quality kaolin** for use in ceramic application, up until 2022, was consistently recorded in the **top 10 kaolin exporters**, with **over 1 million tonnes** of kaolin exported in 2021.⁷

Companies **increasingly looking to diversify** their **supply chains** with source product mixing **to counter potential supply disruptions** (eg during COVID-19)

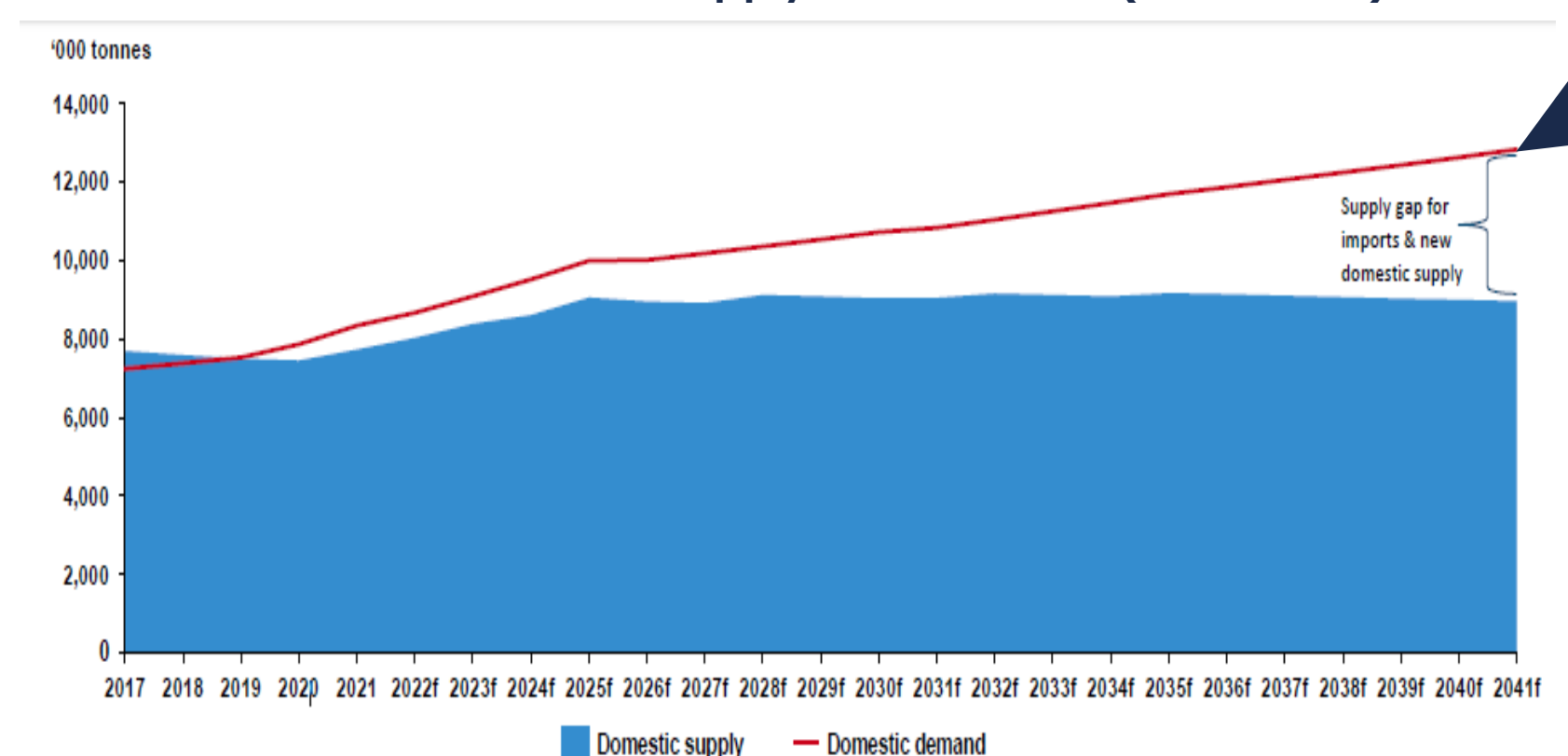
There are currently **no announced new high quality kaolin projects** (>36.5% Al₂O₃) **globally**.

US Producer Price Index of Kaolin and Ball Clay⁸



Tighter supply conditions have seen significant increases in recent prices

China Domestic Kaolin Supply and Demand (2017-2041f)⁹



Significant supply gap forecasted in China

⁷ Kaolin Market, Market Analysis 2018-2030 (Grand View Research, 2023).

⁸ U.S. Bureau of Labor Statistics, Producer Price Index by Industry: Kaolin and Ball Clay Mining

⁹ HQ Kaolin Market Study, Average weighted price (TZMI, 2023)

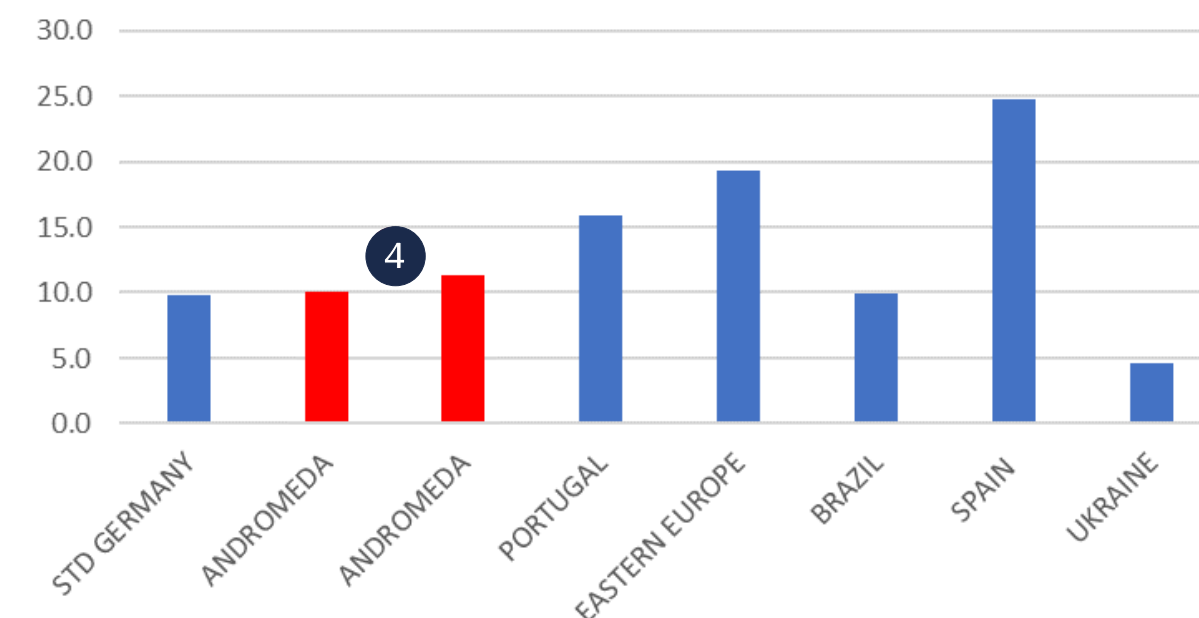


Confirmed high quality against European sources of supply

International benchmarking confirms Great White CRM™ as market leading¹⁰

CERAMIC CONTROL

		Fired Samples at 1200 C					
Reference	Supplier	C.L.	AA	p.p.c.	Colour Measurement		
Units		(%)	(%)	(%)	L*	a*	b*
KAOLIN 1	STD GERMANY	8.74	0.03	4.38	81.79	1.98	7.89
CRM-1097	ANDROMEDA	8.77	0.01	4.70	82.35	1.91	7.52
CRM-1098	ANDROMEDA	8.79	0.06	4.64	81.75	1.88	7.56
KAOLIN 2	PORTUGAL	8.19	0.03	4.11	79.32	1.83	8.84
KAOLIN 3	EASTERN EUROPE	8.75	0.01	4.38	79.73	2.00	7.98
KAOLIN 4	BRAZIL	8.70	0.07	4.50	81.32	1.87	7.38
KAOLIN 5	SPAIN	8.36	0.01	4.19	79.20	1.93	9.07
KAOLIN 6	UKRAINE	8.75	0.03	4.68	80.81	1.81	8.49

Ratio Fe₂O₃/Al₂O₃ Content (x1000)

CERAMIC CONTROL

		Mechanical Strength				
Reference	Supplier	Pressure	R.M. 400	Density	R.M1,935	Press
Units		(Kg/cm ²)	(Kg/cm ²)	(g/cm ³)	(Kg/cm ²)	(Kg/cm ²)
KAOLIN 1	STD GERMANY	249	2.83	1.973	2.55	298
CRM-1097	ANDROMEDA	405	2.22	1.912	2.54	457
CRM-1098	ANDROMEDA	398	2.08	1.897	2.79	524
KAOLIN 2	PORTUGAL	251	1.97	1.983	1.79	335
KAOLIN 3	EASTERN EUROPE	247	2.41	1.944	2.40	384
KAOLIN 4	BRAZIL	297	2.10	1.939	2.00	379
KAOLIN 5	SPAIN	252	1.97	1.987	1.73	374
KAOLIN 6	UKRAINE	293	2.22	1.988	2.17	432

Results of analysis on Andromeda's Great White CRM™ show:

- 1 Highest whiteness (highest L* value)
- 2 Second lowest b* result, resulting in less yellow when fired
- 3 Highest fired mechanical strength, low pressability
- 4 High alumina content with low impurity (iron)

¹⁰ Testing conducted on Great White CRM™ is consistent with product developed from The Great White Project's Great White Deposit, as announced via ASX on 6 April 2021.

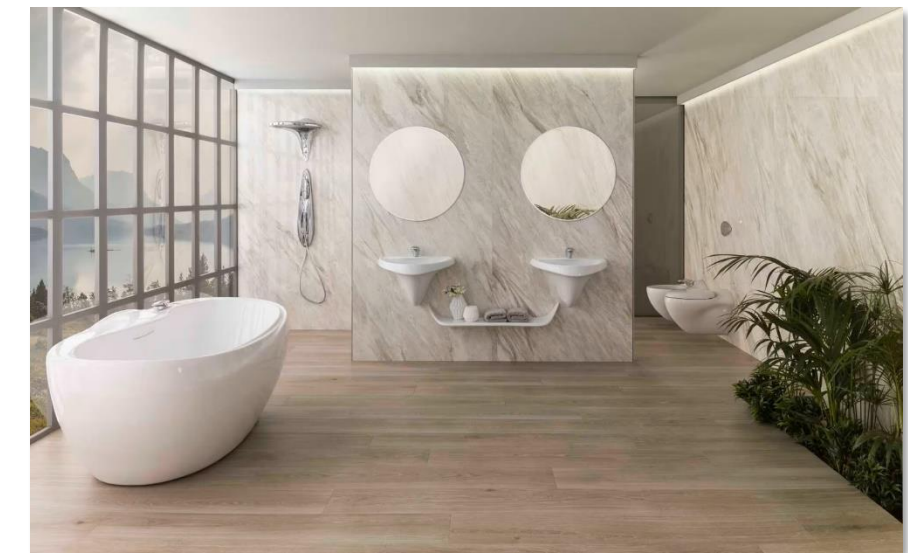
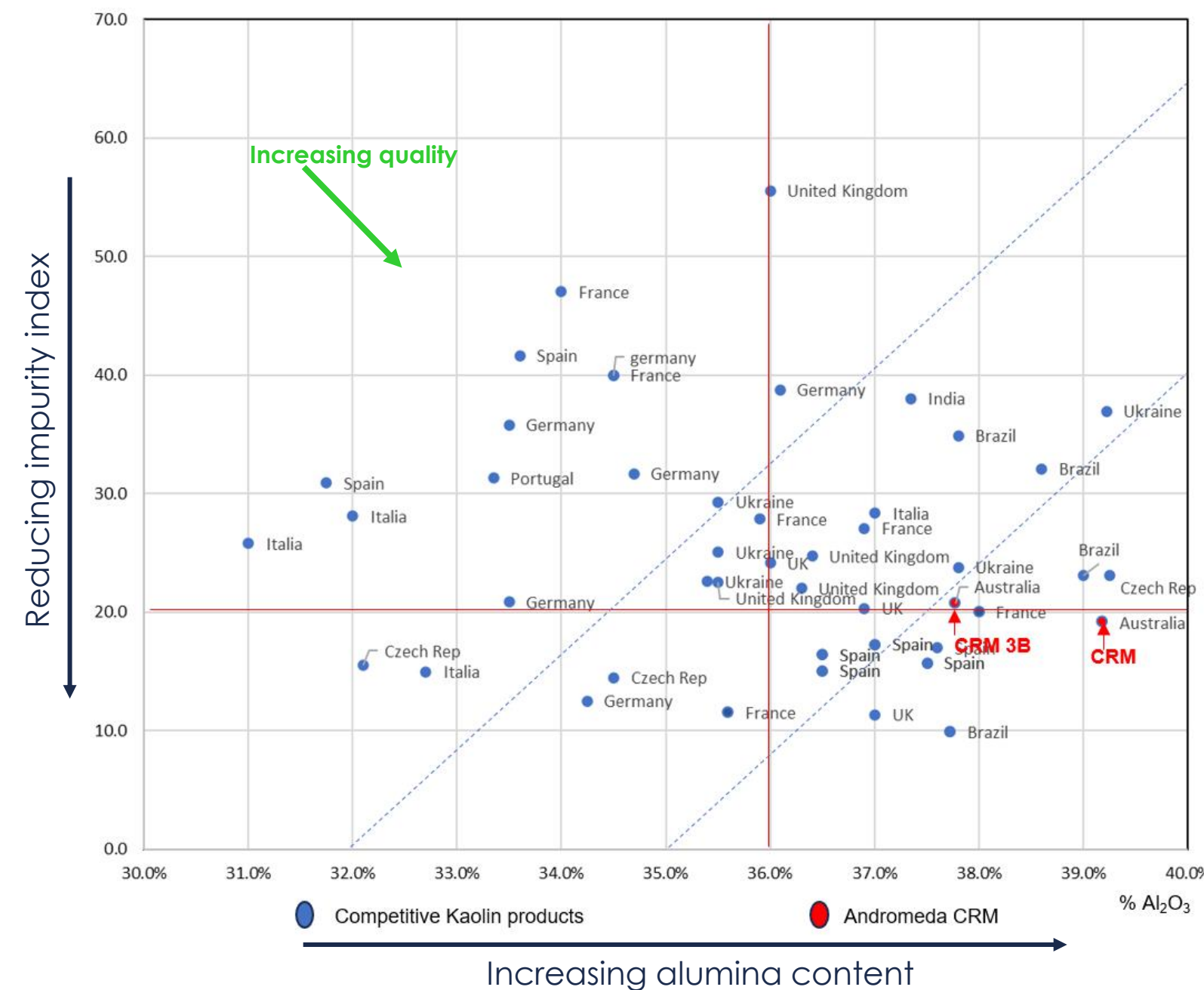


Established above market high value in use in the global high quality kaolin market

Independent testing confirms Great White CRM™ as a market leading product

Value-in-use test work conducted by ITC

- Great White CRM™ and Great White KCM™90 world class brightness, colour and aluminium to iron ratio was confirmed independently by ITC and IberoClays.¹⁰
- Globally, Andromeda estimates an identified contestable market for high quality ceramic tiles of 340–500 ktpa.¹¹



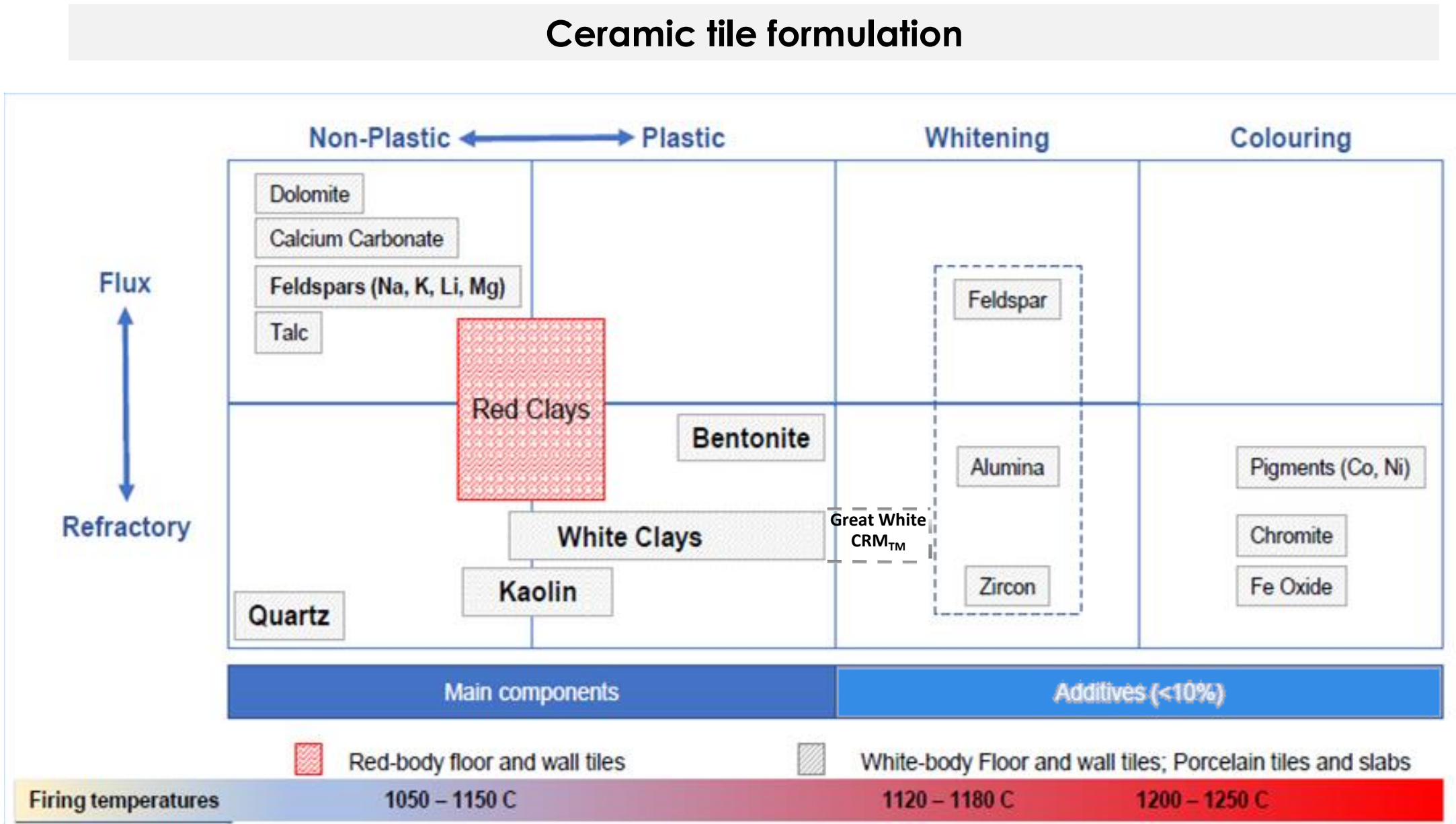
¹⁰ Testwork was carried out by IberoClays and the Instituto de Tecnologia Ceramica in 2023.

¹¹ Work commissioned by Andromeda, "overview of the Ceramic tile market" (Galesk Consultancy S.L.U., 2023).



Established above market value in high quality kaolin markets

Market leading position of Great White CRM™ for potential displacement of white minerals¹²



12 Images are edited from source: Galesk Consultancy S.L.U



Positioned to be the industrial mineral of choice in the global ceramics market

Great White CRM™ properties and applications¹³



Top 3 Iron/Alumina ratio
(Fe₂O₃/Al₂O₃) of global kaolin
samples



**High brightness is retained in
high temperatures**, with very
good colour evolution, which is
valued in **high quality
porcelainware and ceramic tiles**



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

Porcelainware and large format porcelain ceramic tiles and glazes

Strongly positioned to offer exceptional value in use

¹³ As determined by testing conducted on Great White CRM™ by IberoClays.



Decarbonisation opportunities in construction materials

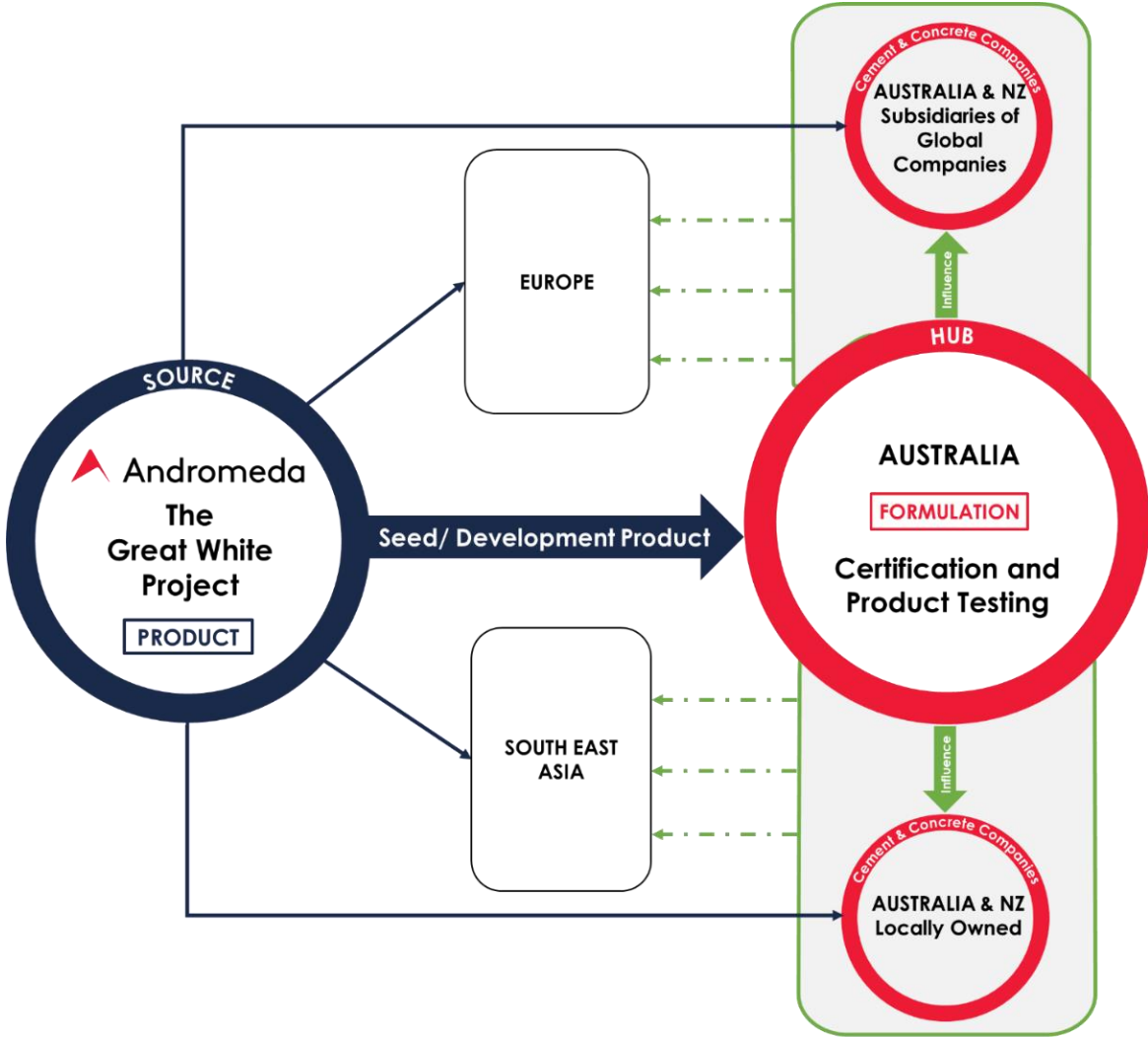
Regulations and ESG standards support the product portfolio

Great White HRM™

- Working with partners to **validate Great White HRM™ as an additive to decarbonise concrete** and determine value in use across markets
- Independent study** demonstrated **Great White HRM™** can **reduce cement required in concrete by ~8%**, thereby **reducing carbon footprint by over 7%**¹⁴
- Technically** validated by independent testing at large scale laboratory level
- Certified** under **Australian Concrete Standards**
- Offtake term sheet signed** with IMCD to market, sell and deliver Great White HRM™ exclusively across Australia and New Zealand

Australian concrete industry target of 11% carbon reduction from altered mix designs in 'Road Map to Net Zero'¹⁵

Offtake Strategy for Global Low-Carbon Concrete Production Market



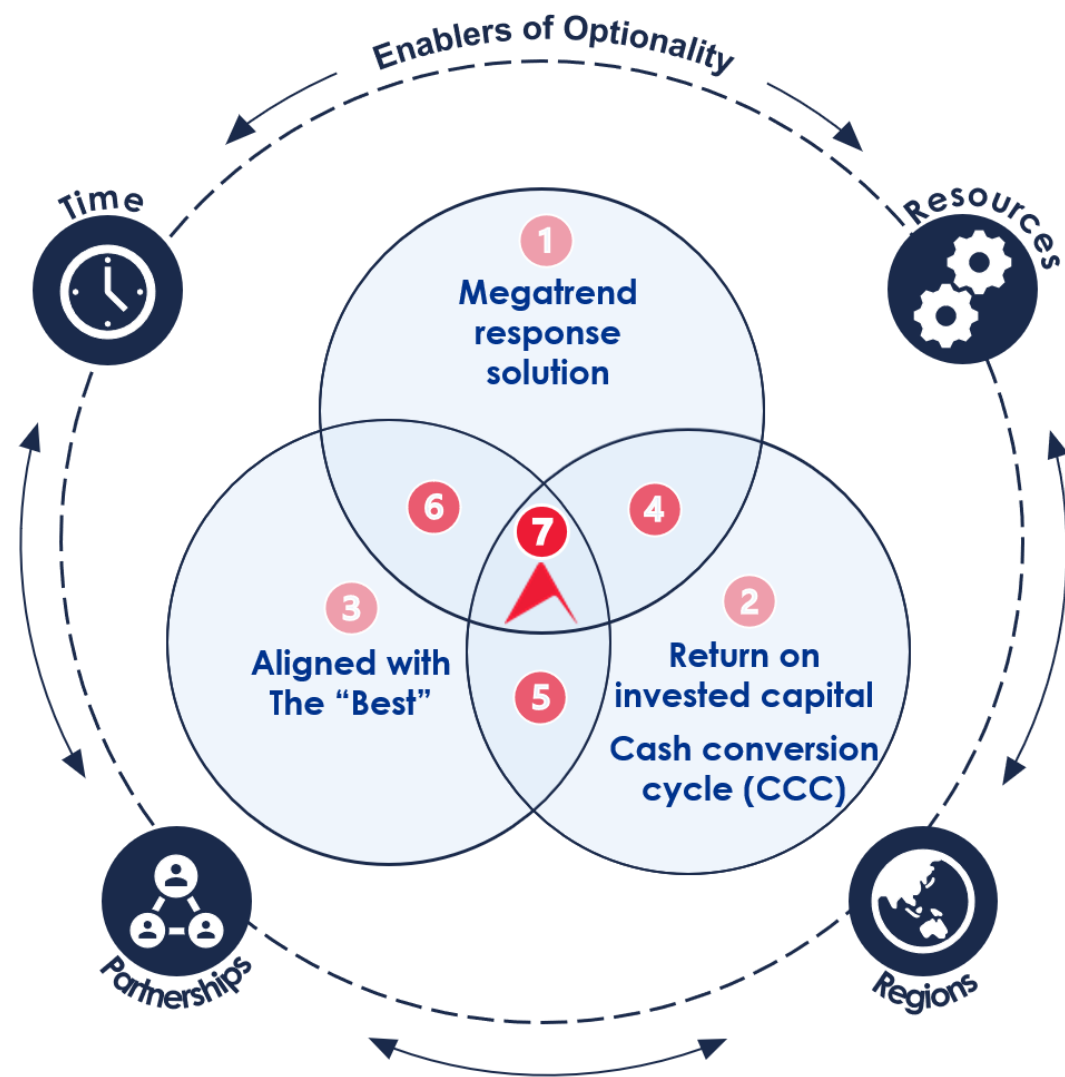
¹⁴ Work commissioned by Andromeda, "Product Evaluation of Great White Halloysite Kaolin Clay (Great White HRM) for Andromeda Metals Pty Ltd" (Jackson, 2023). Refer ADN ASX dated 22 March 2023 titled Study Finds Great White HRM™ Offers a Cost-Effective Solution to Decarbonise Concrete.

¹⁵ Decarbonisation Pathways for the Australian Cement and Concrete Sector (VDZ Report for The Cement Industry Federation and Cement Concrete and Aggregates Australia, Oct 2021)

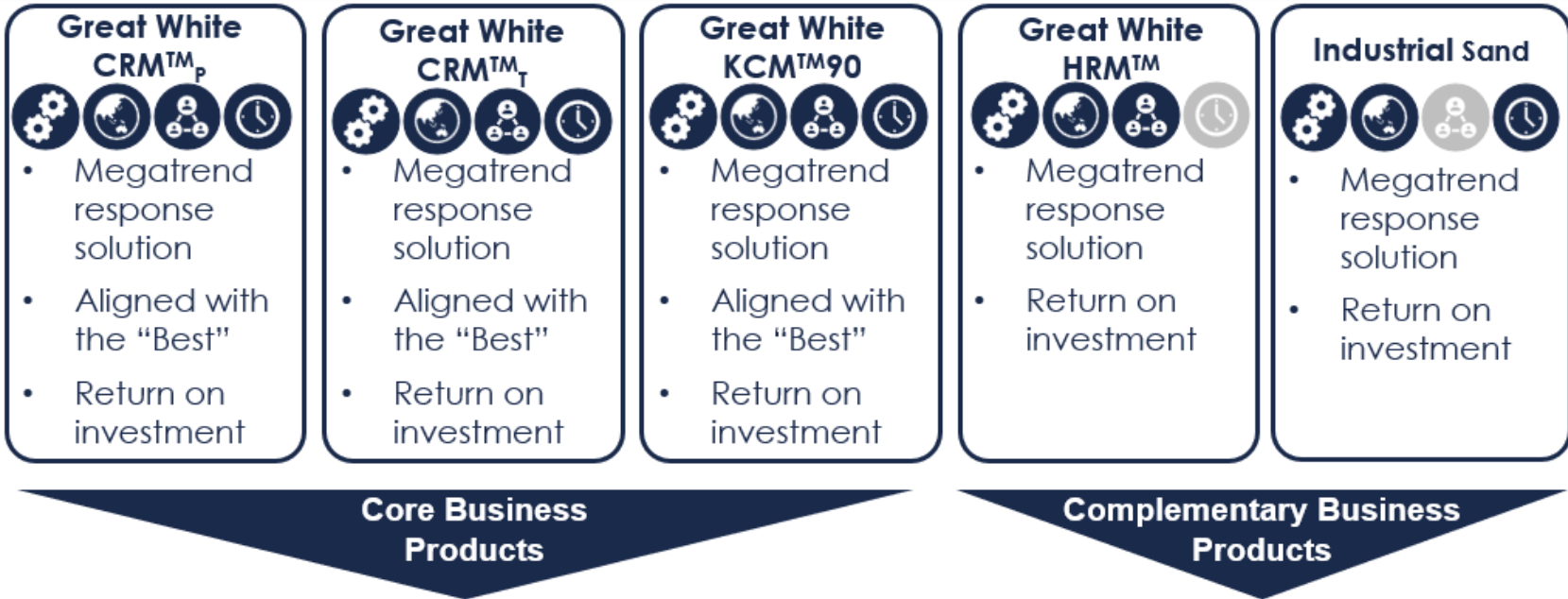


The Strategic Lens identifies strategic white mineral product options

Andromeda's Strategic Lens



Andromeda's Core and Complementary product portfolio



- ✓ Strategic Lens
- ✓ Value in use
- ✓ Validated
- ✓ Segmentation
- ✓ Commercialised

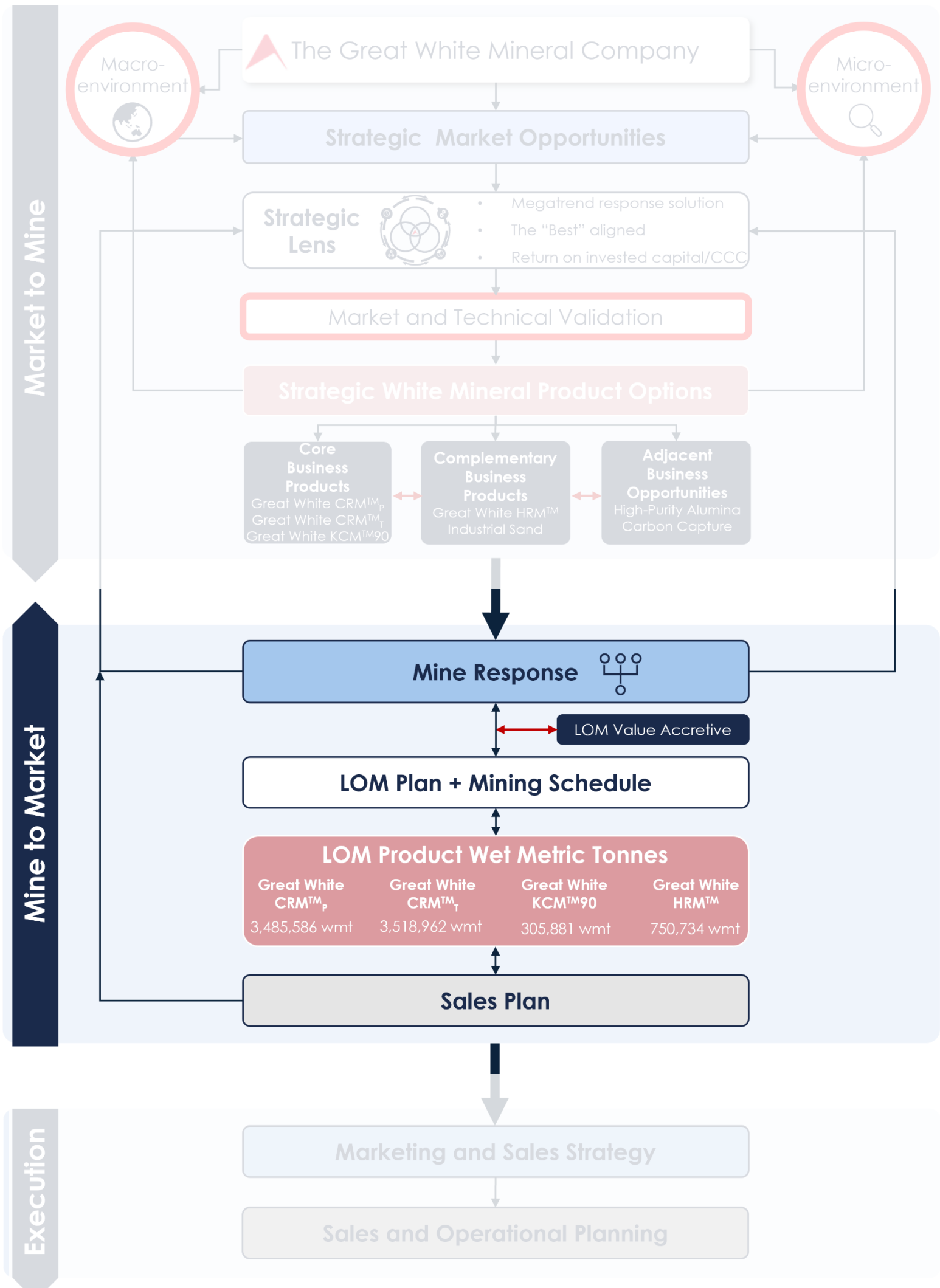
- ✓ Strategic Lens
- ✓ Validation underway

Product commercialisation is validated by a product lifecycle assessment process and categorised into Andromeda's Core and Complementary product portfolio

Mine to Market Response

- **Ensure products** are **value accretive** for the LOM
- **LOM plan** and **schedule** is developed
- **Product mix** determined in **response** to **evolving market demand**
- **Sales plan** developed to **match** the **product mix**, which may be adjusted depending on current demand

LOM Product Wet Metric Tonnes				Sales Plan
Great White CRM TM _P	Great White CRM TM _T	Great White KCM TM 90	Great White HRM TM	
3,485,586 wmt	3,518,962 wmt	305,881 wmt	750,734 wmt	





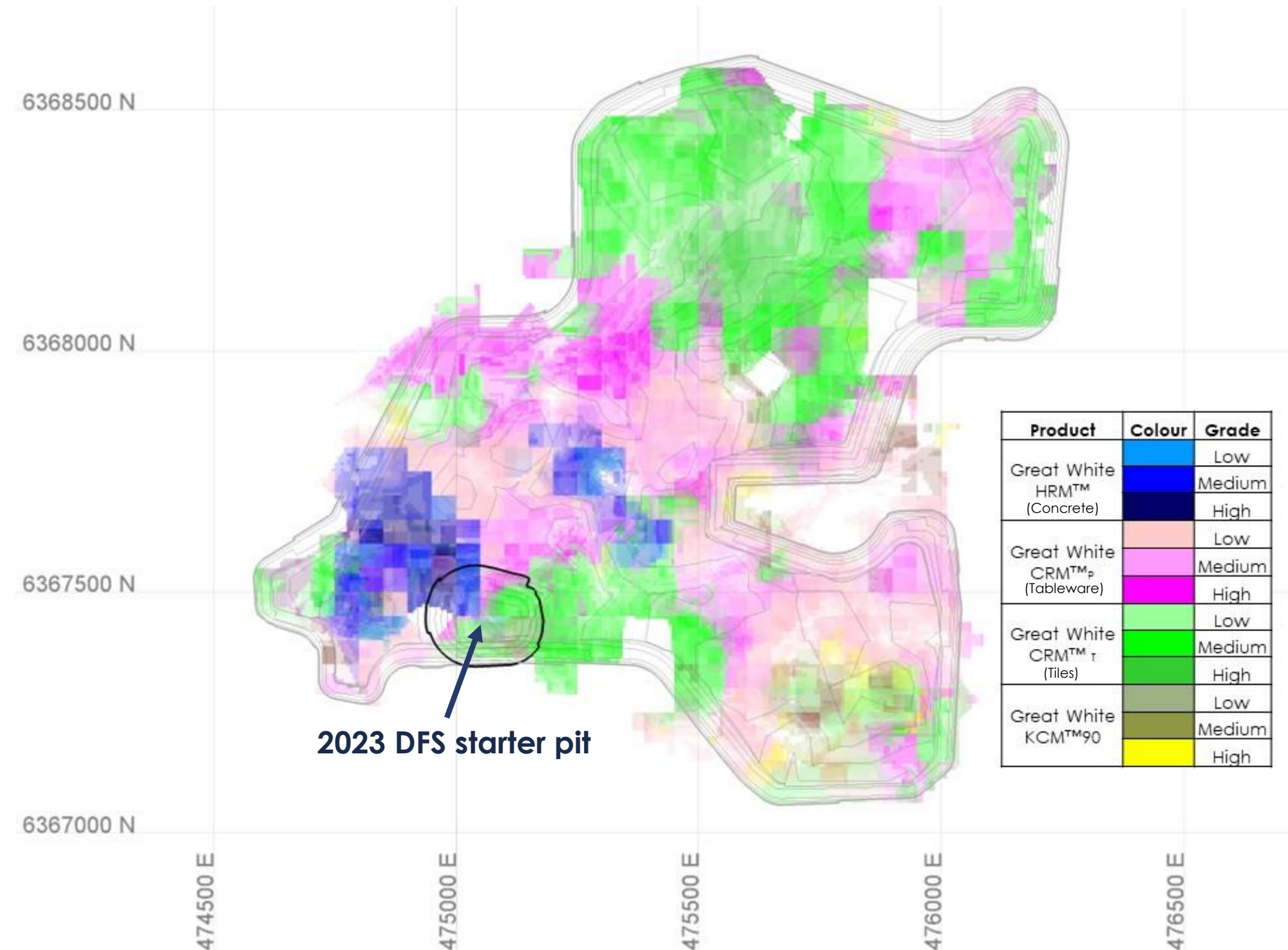
Updated mine development plan

Supports accelerated sales profile and reduced costs

New starter pit positioned for ideal mine response to the market to mine plan

Improved sequencing of overburden removal reduces cost

Cost avoidance and **additional sales realised** by **commercialising** both **coarse** and **fine industrial sand** co-products





Staged expansion optimised by Mine to Market Response

The 4-stage development will ramp up to full anticipated production of 300ktpa

Stage	Stage 1A	Stage 1B	Stage 2	Stage 3
First Shipment	Oct 2024	Dec 2025	Dec 2027	Dec 2029
Kaolin Production	50,000 tpa	150,000 tpa	250,000 tpa	300,000 tpa
Nominal Capacity	100,000 tpa	300,000 tpa	500,000 tpa	600,000 tpa
Capital Cost	\$62.4 million	\$57.6 million	\$57.2 million	\$10.9 million

Authorisations¹⁶

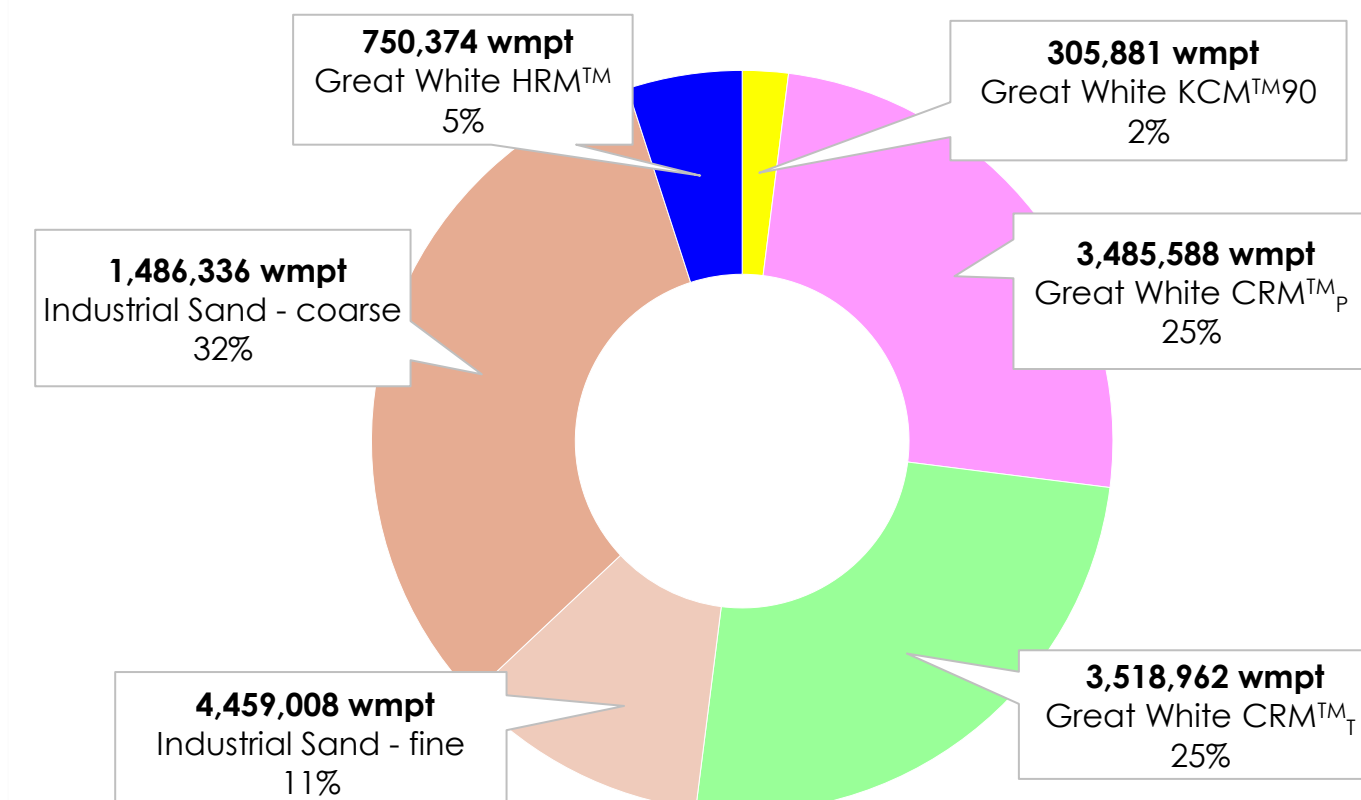
17 December
2021

- The South Australian Minister for Energy and Mining granted, for a period of 35 years, the following:
- **Mining Lease 6532**
 - **Miscellaneous Purpose Lease 164** for an access road to the ML from the Poochera – Port Kenny Road

01 March
2023

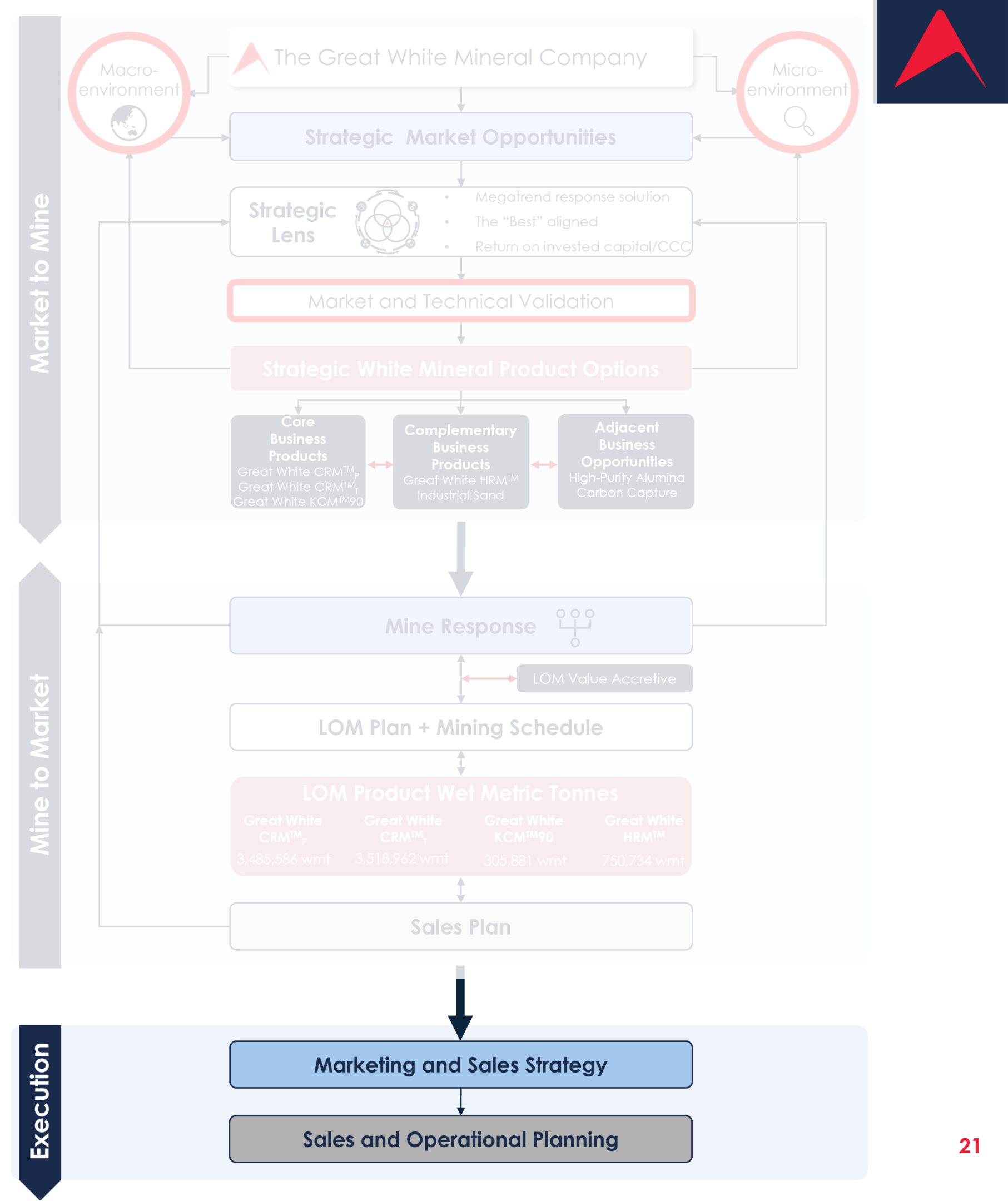
Program for Environment Protection and Rehabilitation (**PEPR**) for Stage 1A and 1B was approved by DEM. Further PEPR(s) will be required for expansion before these stages and the sale of extractive minerals.

Production Summary Across LOM (wet metric product tonnes)



Execution

- **Marketing and sales strategy** identified **strategic trends** and **pricing, branding** and **positioning, promotion** and **key target customers** and **distributors**
- Developed **hub and spoke offtake strategy**
- **Sales and operational planning** based on understanding of **customer quality requirements, optimised logistics/packaging** and **working capital constraints**





A strategic approach to Sales & Marketing

Driven by revised offtake strategy

Sales Agreements:

Great White KCM™90

Long form offtake agreement with Plantan Yamada Co Ltd, for the supply of Great White KCM™90 for porcelain tableware¹⁷

Great White CRM™

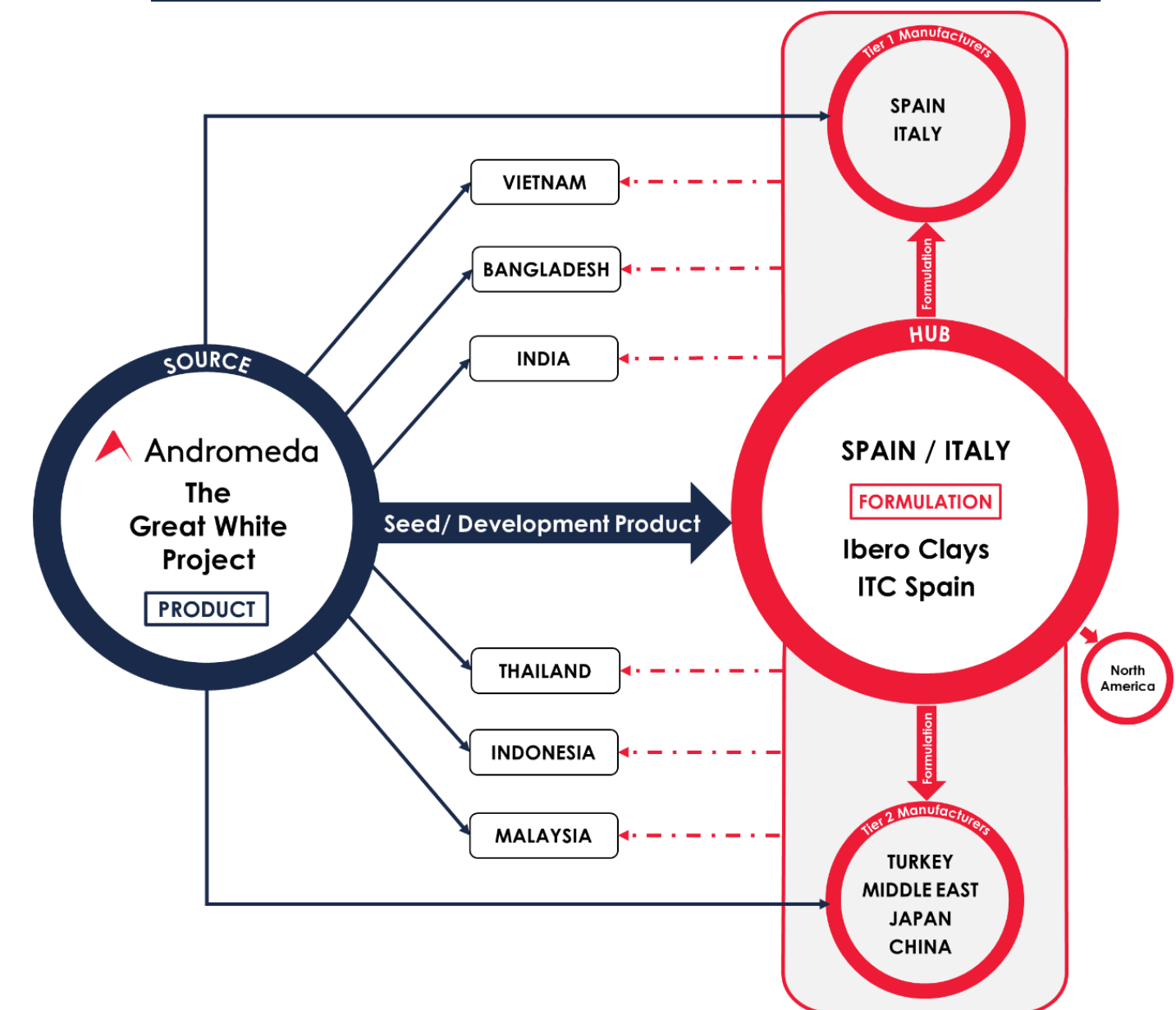
Terms Sheet with Foshan Gaoming Xing-Yuan Machinery Co. for the offtake of Great White CRM™ and Great White KCM™90¹⁸

Great White HRM™

Terms Sheet with IMCD for the exclusive sale in Australia and New Zealand of Great White HRM™¹⁹

Letter of Intent received from IberoClays to be finalised by end of October²⁰

Offtake Strategy for the Global High Quality Ceramic Tiles Market



¹⁷ ADN ASX dated 8 August 2022 titled *Andromeda signs another Binding Offtake Agreement for KCM™90 from the Great White Project*

¹⁸ ADN ASX dated 7 June 2023 titled *Term Sheet signed for significant quantities of kaolin products for Chinese market*

¹⁹ ADN ASX dated 24 November 2022 titled *Andromeda Signs Binding Offtake Agreement for Great White Concrete Additives*

²⁰ ADN ASX dated 10 July 2023 titled *Letter of Intent received from IberoClays for exclusive distribution to the Mediterranean region*



Stage 1A Processing Plant

Design and procurement readiness ahead of planned construction

Long lead items

- Dryer – ordered
- Thickener
- Drum washer
- Filter press
- Filter cake feeder
- Noodler

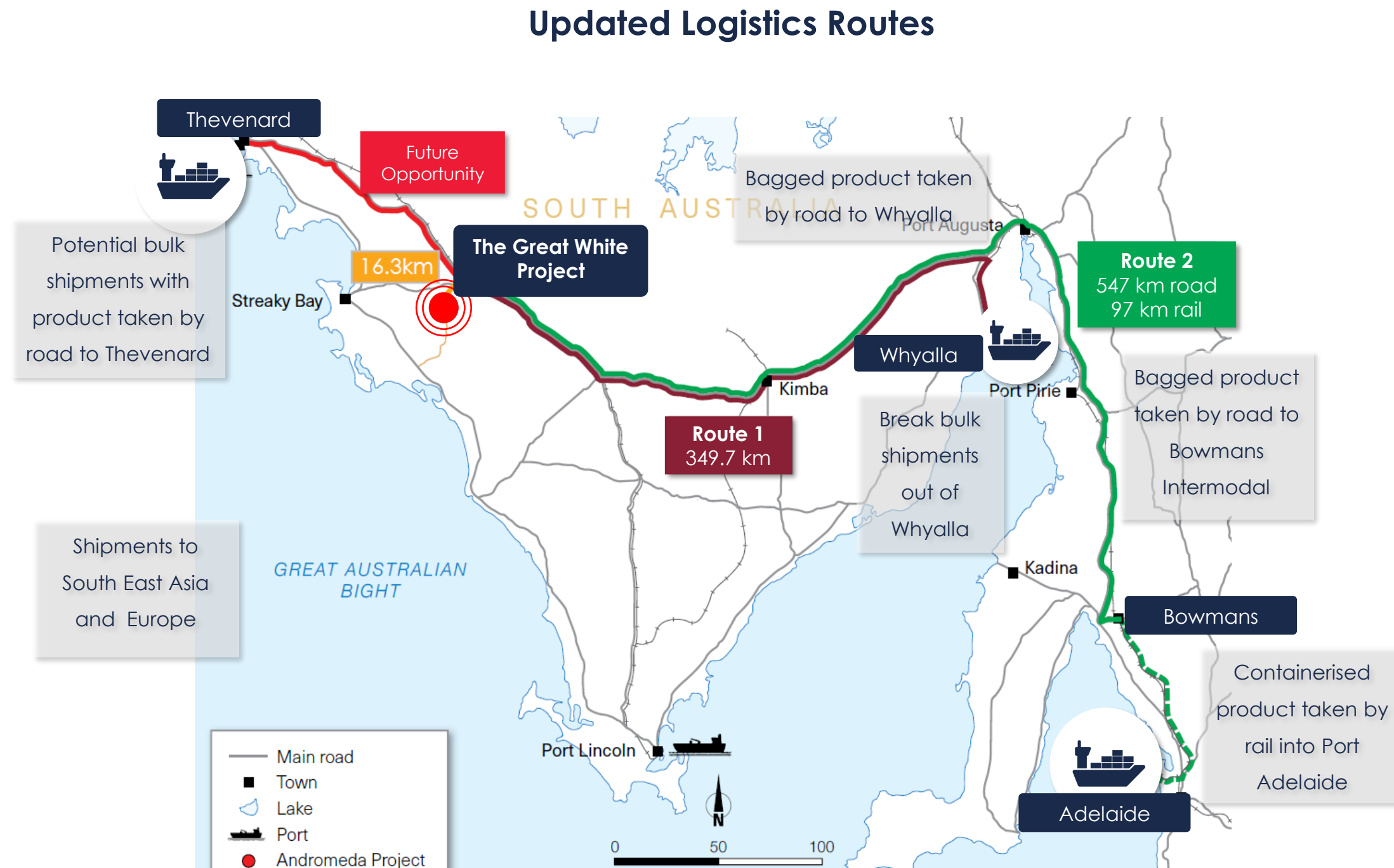
✓ Ordered
✓ Ordered
✓ Ordered
} Terms agreed

All items scheduled to arrive according to revised anticipated schedule for **first product shipment** in **October 2024**



Adapting logistics to meet market and partner needs

Transport and shipping options to cater to changing conditions



Catering to customer needs for delivery in **bulka bags** or **lined containers**

Parcel sizes reduced from 10,000 tonnes to **5,000 tonnes parcels**

Safe and sustainable operations

Aiming to be a supplier, partner and employer of choice

As the Company moves into production, its aspiration is to adopt, monitor and report on relevant frameworks and metrics that emerge from the developing consensus and convergence of ESG standards



Environment

- Recycling over 90% of water requirements via reverse osmosis system
- Gas is used to co-generate heat and electricity for processing operations
- Planned reduction of operational carbon footprint as production expands



Social

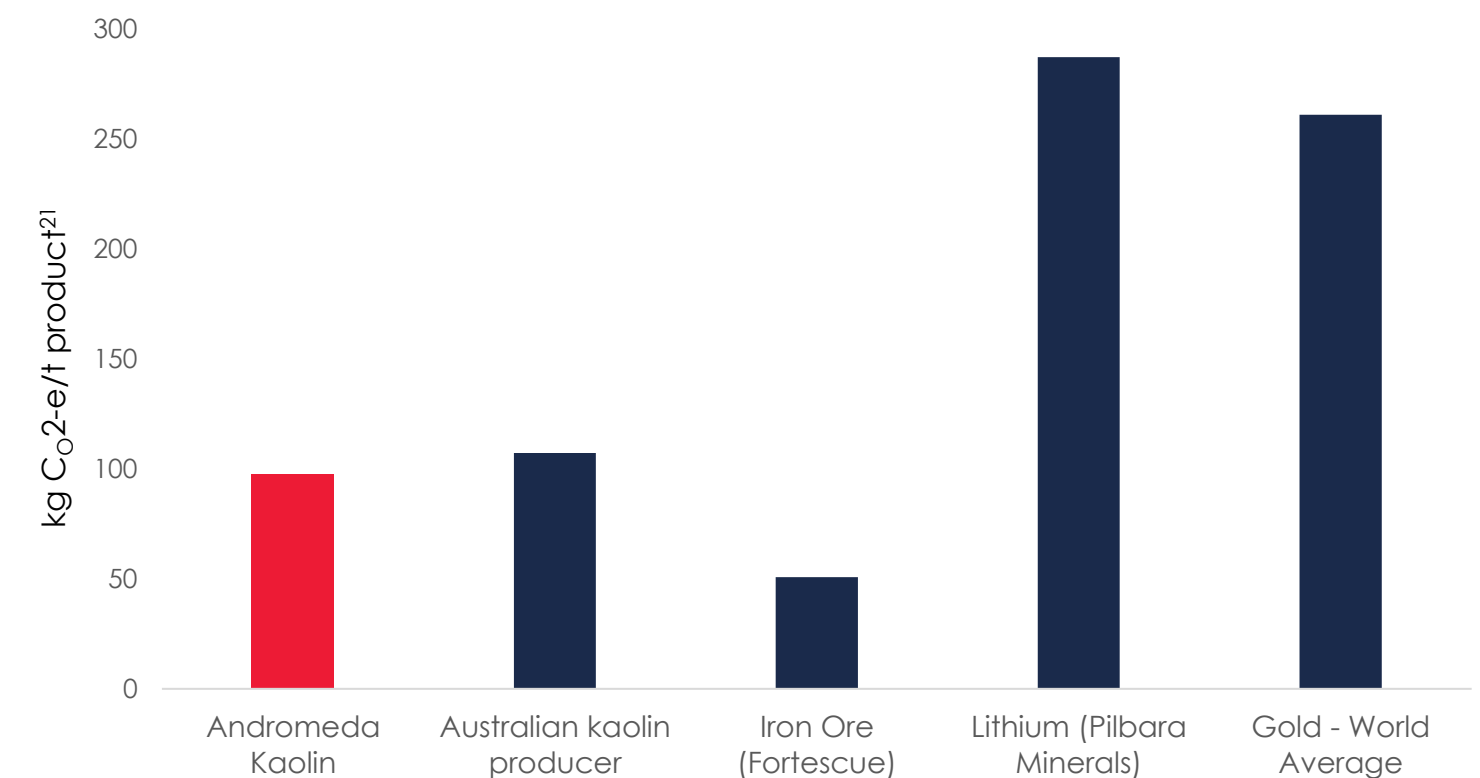
- Active stakeholder engagement and communications – across local landholders, First Nations, business, community groups and employees
- Work health and safety (WHS) managed through risk based, systematic and best practice approach



Governance

- Comprehensive framework of Company policies to ensure consistent and coordinated management of ESG matters
- Active approach to risk management, mitigated as far as practicable

Scope 1+2 emissions benchmarking²¹



Scope 1 & 2 emissions (mine to gate) for Stage 1A, are estimated to be 0.097 t CO₂-e per tonne of product²²

²¹ Scope 1 & 2 analysis conducted in collaboration with ammjohn PE Pty Ltd's technical and engineering consultants.

²² t CO₂-e/t refers to tonnes of equivalent carbon dioxide per tonne of product.



Key Corporate and Project Risks²³

Mitigation plans are in place



Corporate Risks

- Major and unrecoverable failure to deliver on material announced project outcomes
- Funding is not adequate to start projects or operate the business
- Failure to effectively respond to and mitigate significant competitor activity
- Inability to secure additional offtake agreements at the assumed pricing
- Failure to adequately consider ESG risks leading to loss of social license to operate



Project Risks

- Safety incident on site leads to incident/fatality
- Processing plant does not perform to quality expectation leading to unsaleable product leading to financial losses
- Long lead times for major equipment items leads to delays in construction and project commencement
- Unable to obtain water supply contract to supply Project from SA Water
- Insufficient design standard results in operating failures

Why “now”?

Forces making “now” the right time for developing The Great White Project





Andromeda

The Great White Mineral Company

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