



Andromeda Metals Limited
ABN: 75 061 503 375

Corporate details:

ASX Code: ADN

Cash: \$1.669 million
(as at 30 June 2019)

Issued Capital:
1,357,618,035 ordinary shares
702,469,339 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

Contact details:

69 King William Road,
Unley, South Australia 5061
PO Box 1210
Unley BC SA 5061
Tel: +61 8 8271 0600
Fax: +61 8 8271 0033
admin@andromet.com.au
www.andromet.com.au

Andromeda

METALS

ASX Announcement

16 October 2019

Andromeda fully funded to complete feasibility study into developing the Poochera Project

Summary

- Following the successfully completing a Share Placement to raise \$3.95M, before costs, Andromeda Metals is now fully funded to; complete planned feasibility studies, permitting and meet farmin commitments on the Poochera Project, plus undertake additional drilling and testing on applications of halloysite-kaolin.
- This funding puts the Company on track to have the Pre-Feasibility Study (PFS) complete by the second quarter of next year and before the expiry of listed options which have the potential to generate a further \$8.4M.
- Funding also allows Andromeda to complete:
 - a Carey's Well resource update;
 - exploration for new high-purity halloysite deposits,
 - an update of the historical Mount Hope resource to JORC 2012 Code;
 - halloysite nanotechnology research and halloysite purification trials;
 - and to advance binding offtake agreements;
 - complete all Pre-Feasibility studies and permitting approvals.

Discussion

Andromeda Metals Limited (ASX: ADN, Andromeda, the Company) is pleased to announce that it has received firm commitments from professional and sophisticated investors via a Share Placement under which the funds received will be used to principally advance the Poochera Halloysite-Kaolin Project in addition to meeting ongoing working capital requirements. A total of \$3.95M before costs will be raised through the issue of 84.196M ordinary shares at an issue price of \$0.047 per share. The shares issued under the Placement fall within the Company's existing capacity under ASX Listing Rule 7.1 and does not require shareholder approval. PAC Partners have acted as Lead Manager to the Placement.

The funds raised under the Placement will be used to complete all Pre-Feasibility studies and permitting approvals for the Poochera Project. It will

also allow exploration activities to be conducted for high-purity halloysite at Camel Lake and other targets within the Poochera Project along with the 100% owned Mount Hope Kaolin Project where the first objective is to upgrade the historic halloysite-kaolin resource to JORC 2012 compliance.

The Poochera Project is a Joint Venture with Minotaur Exploration Limited (ASX: MEP) and is located on the Eyre Peninsula in South Australia. The Poochera Project includes the Carey's Well high-quality halloysite-kaolin deposit that has a JORC 2012 Mineral Resource which has the potential to meet the sizable demand from the ceramics industry for high quality kaolin, along with opportunities for the High Purity Alumina (HPA) sector, and emerging nanotechnology applications.

Andromeda recently released results from a highly positive Scoping Study undertaken (*refer ADN ASX release dated 30 September 2019*) which shows the Poochera Halloysite-Kaolin Project to be a technically sound and financially robust venture with the potential to generate significant cash flows as a long-term supplier of high-quality halloysite-kaolin product to meet a growing market demand.

Separately from the Poochera Kaolin Project studies, the funds will also be used to continue to develop High Purity Alumina (HPA) opportunities, halloysite purification trials and research into halloysite nanotube technologies.

Managing Director James Marsh commented "These funds now allow the Company to move forward as quickly as possible with the projected commercialisation of the current Poochera halloysite-kaolin resource in addition to defining new ones and driving exciting new blue-sky opportunities. A number of key advancements are targeted over the remainder of 2019 and into 2020. The Andromeda team looks forward to keeping the market informed of this progress".



Contact:

James Marsh

Managing Director

Email: james.marsh@andromet.com.au

Peter Taylor

Investor Relations

Ph: 0412 036 231

Email: peter@nwrcommunications.com.au