

12 August 2021

Andromeda increases its footprint on high purity halloysite-kaolin

Andromeda Metals (Andromeda) today announced a Farm-In agreement with Peninsula Exploration over a large tenement package on the western Eyre Peninsula that is considered to contain rare halloysite and kaolin targets of exceptional purity.

The agreement will add four tenements, of around 2,800km², to the Company's portfolio. This will more than double Andromeda's holding of tenements that are prospective for world class halloysite-kaolin and kaolin deposits.

Halloysite-kaolin is a rare form of kaolin that is in high demand in the market in a range of industries including chip resistant ceramics. It is also much sought after globally as it can be used as an inert replacement for carbon nanotubes in applications such as hydrogen storage, water purification, carbon capture, soil remediation and renewable energy.

Managing Director of Andromeda, James Marsh said the Farm-In with Peninsula Exploration builds on the work already underway through the company's Great White Kaolin Project.

"We are excited to enter into this new agreement with our partners, Peninsula Exploration," Mr Marsh said.

"Our level of understanding of halloysite-kaolin is significant and we are confident what we are seeing here is a very prospective opportunity.

"Our Great White Kaolin project contains several high-value deposits containing a naturally occurring and rare blend of halloysite tubes and kaolinite plates.

"These new tenements are immediately adjacent to our Great White Kaolin Project, and we were excited when recent geological survey's together with existing data showed the potential for the broader area to host halloysite-kaolin in its rare form that we are chasing," he said.

Andromeda can earn up to 80% interest in the tenements through sole-funding expenditure of \$2.75 million over six years from the commencement of the Joint Venture.

Andromeda, alongside joint venture partner Minotaur Exploration, is currently seeking approvals from the South Australian Government for the Great White Kaolin Project. Last month, the company announced a major offtake agreement for this project with Chinese commodity trading house, Jiangsu Mineral Sources International Trading Co., for 70,000 tonnes a year of high purity kaolin.

Media enquiries

Sylvia Rapo – Managing Principal, Consentium

Email: sylvia.rapo@consentium.com.au