Andromeda

ANNUAL REPORT 2024

Company information

DIRECTORS

Sue-Ann Higgins	Executive Chair
Mick Wilkes	Non-executive Director
Austen Perrin	Non-executive Director

COMPANY SECRETARY

Sarah Clarke	Acting CEO, General Counsel and Company Secretary

ANDROMEDA METALS LIMITED
ABN: 75 061 503 375
ASX code: ADN

REGISTERED AND PRINCIPAL ADDRESS
Level 10, 431 King William Street
Adelaide, South Australia 5000

CONTACT DETAILS
Telephone: +61 8 7089 9800
ir@andromet.com.au
www.andromet.com.au

SHARE REGISTRY
Computershare Investor Services Pty Ltd
Level 5, 115 Grenfell Street
Adelaide, South Australia 5000

GPO Box 1903, Adelaide, SA 5001

Enquiries (within Australia): 1300 556 161
Enquiries (outside Australia): +61 3 9415 4000

AUDITORS
Deloitte Touche Tohmatsu
11 Waymouth Street
Adelaide, South Australia 5000

SOLICITORS
Minter Ellison Lawyers
25 Grenfell Street
Adelaide, South Australia 5000

BANKERS
Westpac Banking Corporation
Level 5, 97 King William Street
Adelaide, South Australia 5000

Contents

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Highlights

High-grade, development-ready project with funding discussions underway

THE GREAT WHITE PROJECT

- ✓ Long-life, high-quality resource
- ✓ Strong economics
- ✓ High grade, in demand, premium products
- ✓ Stage1A+ binding offtakes finalised
- ✓ Low capex hurdle
- ✓ All approvals in-place to commence development
- ✓ Low-risk jurisdiction
- ✓ Conventional mining operation
- ✓ Clear market and product upside
- ✓ Shovel-ready, with project team in place

BUILDING BLOCKS ARE IN PLACE TO DELIVER THE GWP

- ✓ Mining lease granted
- ✓ Experienced project team and development strategy ready
- ✓ Long-lead equipment ordered and under fabrication
- ✓ Environmental plan (PEPR) approved
- ✓ Stage 1A+ 2024 bankable feasibility study finalised
- ✓ Logistics pathway selected
- ✓ Premium products validated by experts and customers
- ✓ Binding offtakes in place
- ✓ Mining contractors shortlisted

Funding process underway to secure debt and equity funding for a final investment decision

Tier 1 Project

- **The Great White Project (TGWP):** high-grade kaolin asset delivering premium products over a 28-year mine life
- **Strong economics:** $763m post-tax NPV8; 43% IRR; $140m average annual EBITDA
- **Favourable capex:** low $194M capex hurdle achievable over 3 stages[1], first stage capex $84m
- **Low-complexity operations:** conventional mining, low strip ratio, flexible processing

Significant Kaolin Market Opportunity

- **Large, Diversified Addressable Market:** US$4.4Bn market in 2023 (with CAGR of 4.7%)[2]
- **Challenged Supply:** growing structural supply deficit for high-quality kaolin, exacerbated by geopolitical factors further reducing supply
- **Attractive long-term trend:** 30 years of low historical volatility, above CPI price growth[3]

De-risked Development

- **Clear Development Strategy: 3 stage** development in line with expected offtake volume growth[1]
- **Clear, Validated Product Strategy:** targeting kaolin for premium ceramics. Our products have been validated by ceramics industry experts and customers
- **Major Offtakes finalised:** for project's first 100ktpa stage
- **Approvals:** All key approvals received to commence development[4]

1 *ASX announcement 6 May 2024 "Andromeda expansion plans for The Great White Project".*
2 *Fortune Business Insights, "Global Kaolin Market Analysis, Insights and Forecast, 2024 2032" (2024).*
3 *Demonstrated by the US historical Kaolin and Ball Clay PPI published by the US Federal Reserve of St Louis.*
4 *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.*

Letter from the Chair

Dear Shareholders,

Welcome to the Annual Report covering the Financial Year 2024 for Andromeda Metals Limited (**Andromeda**, the **Company**).

This is my inaugural letter to you, our shareholders, having recently been appointed as Executive Chair.

I come to the role excited by the Company's prospects, confident that the Great White Project (**GWP**, the **Project**) is development-ready, with discussions underway to secure funding to support a final investment decision being made.

Reflecting over the year's progress, the Company has achieved numerous significant milestones.

During the year, a comprehensive decision was made to narrow our focus and prioritise the development of GWP and the world class kaolin deposit that underpins it.

GWP's development represents a significant opportunity for shareholders and the Company's success in signing four binding offtake agreements supports the decision to bring forward the Stage1A+ development to expand initial production capacity to 100,000 wet metric per annum (**wmt pa**).

While progressively de-risking the Project, the Company continued evaluating potential funding options that would best suit the long-term interests of the Company and its shareholders.

The Board and Management remain confident in progressing towards a final investment decision, with all the elements in place to progress funding discussions.

The range of potential debt financiers the Company is in discussions with include Government funding bodies, foreign banks and private credit institutions, all of whom are active in the data room.

In addition, Pareto Securities has been mandated to assist in potentially accessing global bond markets or markets for other debt instruments.

To support efforts in securing a cornerstone equity investment, Azure Capital has been appointed to run a cornerstone equity process, in parallel with the debt funding process.

To support the Company until development funding is secured, a Placement of shares to sophisticated and institutional investors was completed in August 2024 at $0.012 per share, raising approximately $3.4 million before costs. An Entitlement Offer to existing shareholders on the same terms is currently underway. I welcome those new shareholders and thank those shareholders who are looking to participate in the Entitlement Offer.

The Board remains committed to responsible financial and business practices, and the highest standards of corporate governance. I invite you to read about these in the Director's Report, including the Remuneration Report, starting on page 43 of this Report.

Andromeda is committed to safe and sustainable operations, which you can read more about in the Sustainability Report section starting on page 26.

Letter from the Chair

During the year, Bob Katsiouleris decided to resign as CEO and Managing Director, effective 31 July, to return to Europe for personal reasons. Regrettably, Luke Anderson, who had been appointed as Bob's replacement, subsequently resigned for health reasons.

As a result, Sarah Clarke was appointed as Acting CEO, until a suitable replacement can be found. Sarah is a strong capable leader, who is well-respected and across every aspect of the business, as General Counsel and Company Secretary.

In light of Luke's resignation, the Board determined that a greater level of day-to-day involvement by an Executive Chair with project funding and transactions experience was required, during the crucial funding discussions currently underway.

Consequently, Mick Wilkes made the decision to stand down as Non-executive Chair and remain on the Board as a Non-executive Director and not receive any director fees until the Project is fully financed. I thank Mick for his service as Non-executive Chair and for his ongoing support during this important time for The Company.

Following this, the Board determined that the best person to appoint as Executive Chair was myself, given my extensive project funding and transactions experience and being available to provide greater hands-on, day-to-day support to Management. I thank the Board and Management for their vote of confidence and support.

During these challenges, Andromeda's employees have remained steadfast in their efforts to progress GWP through to development. I thank them for their commitment.

Similarly, our successes could not have been achieved without the support of our offtake partners, suppliers and the local Eyre Peninsula community. The Company is grateful for their support during the year.

Finally, I would like to thank you, our shareholders, for your continuing support. You can be assured that the Board and Management remain committed and focused on maximising shareholder value through a considered and methodical approach to securing financing and progressing GWP towards a final investment decision being made.

Yours sincerely,

Sue-Ann Higgins
Executive Chair

Acting CEO's report

"Andromeda's Great White Project is in the enviable position of being construction ready, with all the required approvals in place to commence construction, and a committed Project Team poised for delivery.

Dear Shareholders,

This is the first Annual Report in which I write to you, having recently taken up the role of Acting CEO.

Following the Company achieving numerous significant milestones during FY24, our prospects remain strong, with active discussions with potential financiers underway and a clear pathway towards securing anticipated project funding.

Revised commercial strategy and 2023 DFS

The Company opened FY24 by conducting a comprehensive review of its commercial strategy. The review refocused Andromeda on GWP, and an enhanced product portfolio targeting established high value markets for kaolin.

Following the review, in August 2023 the Company released the results of an updated Definitive Feasibility Study (**2023 DFS**) for GWP, demonstrating strong economics over the 28-year life-of-mine.

Offtake agreements drives expedited expansion

Market discussions with potential customers, showed a heightened level of demand and constrained supply, this has seen positive pricing dynamics for GWP's high-quality kaolin products.

The Company's discussions with potential customers led to success, through the signing of additional binding offtake agreements.

In addition to the previously signed offtake agreement with Plantan Yamada for sales in the Japanese ceramics market, during FY24 additional binding offtake agreements were signed with:

- Foshan Gaoming Xing-Yuan Machinery Co. Ltd in October 2023, for sales into the Chinese market; and,
- IberoClays SLU in January 2024, for sales across Mediterranean markets.

These three agreements underpinned financing discussions for the initial Stage 1A development of GWP and planned nominal production of 55,000 wmt pa.

The heightened demand for high-quality kaolin led, in November 2023, to a non-binding Heads of Agreement with Traxys Europe S.A (**Traxys**) being signed.

In May 2024, the Company made the decision to bring forward its Stage1A+ development to expand initial capacity to produce 100,000 wmt pa of our kaolin products.

In July 2024, a binding offtake agreement with Traxys, was signed. The agreement committed Traxys to purchasing 50% of planned production capacity of up to 130,000 wmt pa of product for sale across various global markets.

This expansion in scale significantly enhances capital efficiency and the initial cashflows, supporting a higher level of debt that could sustainably be supported by the Project.

Acting CEO's report

Project readiness and funding

Procurement activities for long lead items to support Stage1A+ progressed during the year, with key items either in the process of being designed, fabricated or completed and awaiting shipment.

This places the Project in the enviable position of being construction-ready, with the required approvals in place to commence construction, and a committed Project Team poised for delivery.

Additionally, the Company has completed all the anticipated key elements to support the funding process for Stage 1A+, which is currently underway.

To support financing discussions with debt financiers, a Bankable Feasibility Study (**BFS**) for Stage 1A+ was completed, and an independent technical review of the BFS by Behre Dolbear Australia Pty Limited (**Behre Dolbear**), was undertaken.

We are actively progressing discussions towards securing funding across a range of sources.

In additional these funding processes, the Company progressed the sale of legacy gold and copper assets, through to completion during the year.

Progressing GWP continues to represent the best opportunity to maximise long-term value for Andromeda.

We are well-positioned to continue advancing GWP through to anticipated development. This provides me with confidence in achieving success in executing on our strategy, and delivering long-term value for you, our shareholders, the local Eyre Peninsula community and South Australia.

Yours sincerely,

Sarah Clarke
Acting CEO, General Counsel and Company Secretary

Operations review

Andromeda is an Australian company with the vision to be "The Great White Mineral Company", with the ambition of leading the world in the sustainable supply of superior quality industrial minerals.

Andromeda's aim is to develop its globally significant, high-quality kaolin resources into world-class mining operations that produce superior quality halloysite-kaolin to supply global markets.

Andromeda's resources contain a unique blend of bright kaolinite and halloysite clays, that can produce a refined product with a high average alumina content of greater than 36% and low levels of impurities.

Through developing the Great White Project, Andromeda is focused on leveraging the potential of this unique, world-class resource for the long-term benefit of our shareholders, the local Eyre Peninsula and Traditional Owner communities and the South Australian economy.

OVERVIEW OF ANDROMEDA'S CURRENT KAOLIN PROJECTS AND RESOURCES

GREAT WHITE PROJECT (GWP)

Flagship project with 15.1 Mt Ore Reserve[1]

The 2023 DFS shows strong economics through a 3 staged development over a 28-year life-of-mine.[2]

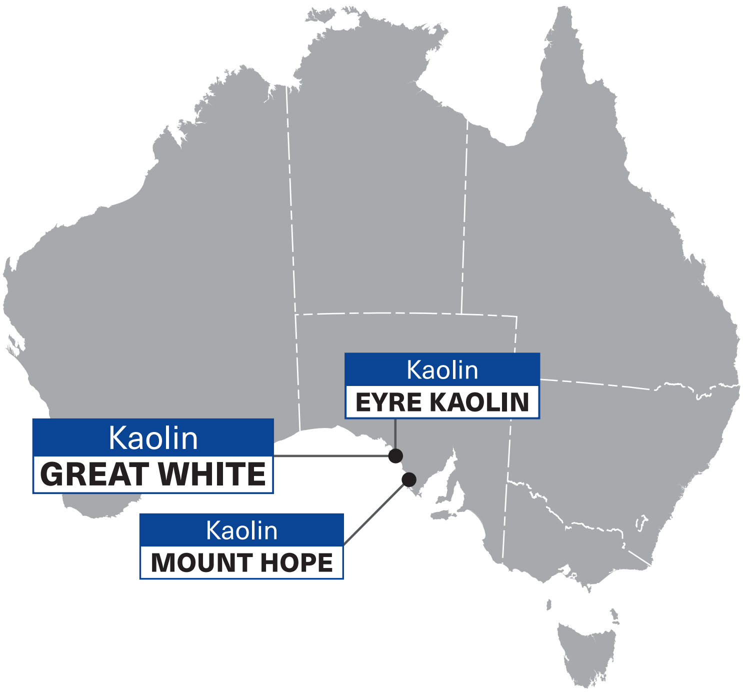
EYRE KAOLIN PROJECT

51% interest of Eyre Kaolin Joint Venture, with four exploration licences covering 2,799 km^2.

Exploration being undertaken for kaolin with properties complementary to those of the Great White Deposit.

MOUNT HOPE KAOLIN PROJECT

100% interest in tenements, over which significant areas of ultra-high bright white kaolin, with exceptionally low iron contaminant levels, have been defined.



1 *Refer to Table of Reserves – Great White Deposit on page 35. The 15.1 Mt Ore Reserves includes 5.1 Mt classed as Proven and 10.0 Mt as Probable.*

2 *Refer to 2023 DFS section on page 17, upon which the forecast financial information relates to an Ore Reserve Estimate that has been previously announced to ASX on 6 April 2022 titled Great White Kaolin Project – Definitive Feasibility Study and Updated Ore Reserve. Andromeda confirms that it is not aware of any new information or data that materially affects the information included in these market announcements (unless otherwise stated) and that all material assumptions and technical parameters underpinning the estimates and forecast financial information continue to apply and have not materially changed.*

The Great White Project

SOUTH AUSTRALIA

100% Andromeda

GWP is a development-ready project which is fully approved for commencement of construction, with feasibility studies completed, and binding offtakes finalised for the first Stage 1A+ phase of production of 100,000 wmt pa.

GWP is wholly owned by Andromeda and includes several high-quality deposits of kaolin, containing naturally occurring kaolinite plates and halloysite tubes.

Through making an anticipated final investment decision for GWP, Andromeda seeks to become a globally significant supplier of high-quality kaolin products to international markets.

GWP comprises three mining tenements and three exploration tenement approximately 635 km west by road from Adelaide. The Project is located within the District Council of Streaky Bay, approximately 15 km southwest of the township of Poochera.

Poochera is located on the Eyre Highway about 635 km northwest by road from Adelaide and 65 km east of Streaky Bay, on the Eyre Peninsula in South Australia (Figure 1).

The Project has highly valued kaolinite and halloysite mineral deposits with a world-class iron to alumina ratio, outstanding mechanical strength, exceptional fired brightness, and distinctive rheological properties.

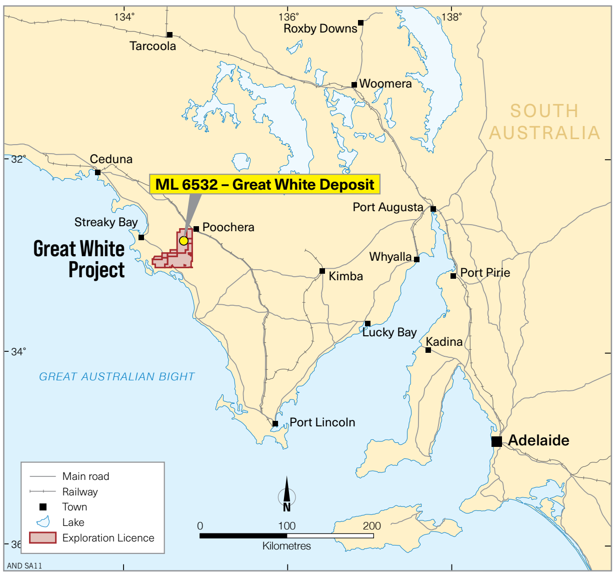


Figure 1 *The Great White Project regional location map.*

Andromeda has continued to progress and de-risk the Project's development.

During FY24, a comprehensive review of the Company's commercial strategy and its approach to developing the world-class, high quality Great White Deposit, was undertaken.

The revised strategy refocused the Company on targeting high value markets, which resulted in an enhanced product portfolio and a major focus on supplying kaolin for use in the manufacture of high-quality ceramic tiles, ceramic porcelain tableware and low-carbon concrete production.

An updated Definitive Feasibility Study[3] (**2023 DFS**) found that the economics of developing GWP under the revised strategy were significantly improved over the 2022 DFS, with a:

- 65% increase in pre-tax net present value (**NPV**) to $1.01 Billion over the original 28-year life of mine, and
- 59% increase in average earnings before interest tax depreciation and amortisation (**EBITDA**) to $130 million per annum.

The Company finalised binding offtakes to support expanded Stage 1A+ production capacity and the securing of financing for a final investment decision.

In March 2024, Andromeda announced that the subdivision process and issuing of land titles in line with the GWP mine site footprint had been completed.

FY24 also saw progress on the procurement of long lead items for Stage 1A+, and a majority of milestone payments having been made. All are ordered, and either being designed, in the process of being fabricated, or complete and awaiting shipment.

3 *Refer to 2023 DFS section on page 17, upon which the forecast financial information relates to an Ore Reserve Estimate that has been previously announced to ASX on 6 April 2022 titled Great White Kaolin Project – Definitive Feasibility Study and Updated Ore Reserve. Andromeda confirms that it is not aware of any new information or data that materially affects the information included in these market announcements (unless otherwise stated) and that all material assumptions and technical parameters underpinning the estimates and forecast financial information continue to apply and have not materially changed.*

Figure 2 *Images show (from left) raw kaolin clay from Andromeda's GWP, which is then refined and processed, before being graded and packaged into various products that meet our clients' exacting specifications.*

COMMERCIAL STRATEGY

Andromeda's commercial strategy has identified a product portfolio of high-quality kaolin products able to command premium pricing, in growing established markets.

Andromeda's commercial strategy map is presented in Figure 3.

Through Andromeda's market to mine approach, white mineral options are proposed for those strategic market opportunities with the greatest economic potential.

Andromeda's commercial strategy uses both top down, market to mine, and bottom up, mine to market, approaches to carefully determine the most suitable markets to engage and strategically supply. The marketing and sales strategy is essential to ensure the success of the product in the market.

The commercial strategy map and methodology assist in providing direction towards the markets best suited for GWP products, the underlying drivers for why they are the best suited, and the key customers, stakeholders, partners and competitors anticipated response.

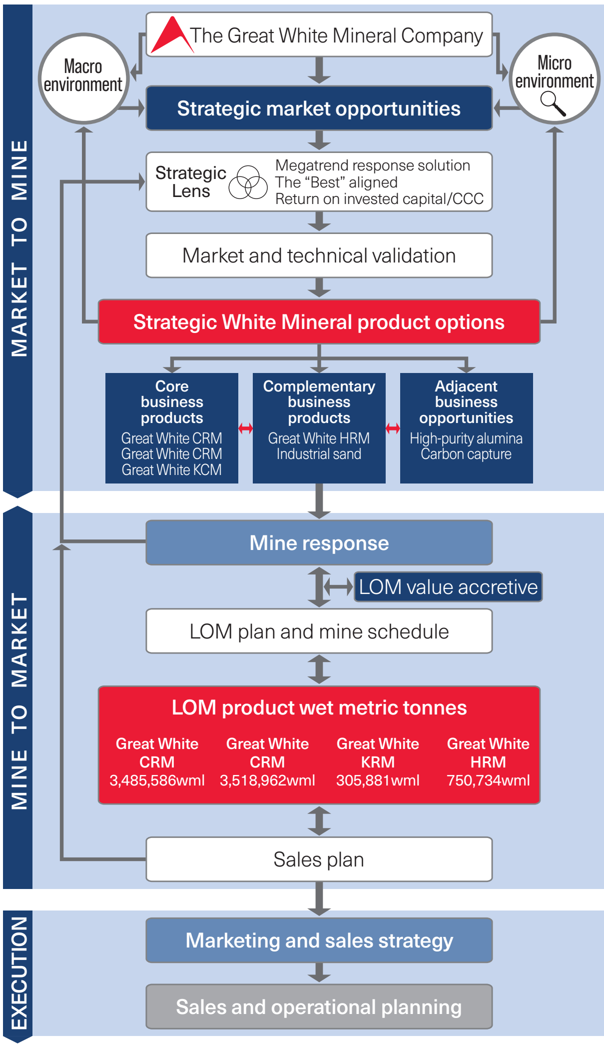


Figure 3 *Andromeda's commercial strategy map.*

MARKET TO MINE

Macroenvironment

The macroenvironment has a significant influence on the success of Andromeda's marketing efforts. The key macroenvironment elements considered by Andromeda on an ongoing basis, are:

- Geopolitical risk
- Decarbonisation
- Urbanisation and social trends
- Macroeconomics
- Shipping and ports
- Kaolin markets
- Water and energy
- Regional economies

Consideration of the global kaolin macroenvironment has determined that the low-margin and/or high entry cost markets of polymer, paper, pharmaceuticals and paint commodity markets will not be the focus for Andromeda.

Analysis of these factors identified the following key target markets for Andromeda to be:

- High quality ceramic tiles
- High quality ceramic porcelain tableware
- Low carbon concrete production
- Industrial sand

Microenvironment

The microenvironment has a significant influence on the success of Andromeda's marketing ventures. The key microenvironment elements considered by Andromeda on an ongoing basis, for each key target market are:

- Global supply and demand
- Addressable market opportunities
- Contestable markets
- Product end use validation
- Competitor product and company profiles

The comprehensive commercial strategy review conducted during the second half of 2023 financial year, identified a product value in use (VIU) that was above the existing market value for the Great White Project's kaolin core product portfolio, Great White CRM™ and Great White KCM™90, in established and growing markets for high quality ceramic tiles and ceramic porcelain tableware.

The complementary product portfolio has been defined as Great White HRM™ an industrial sand co-product. In addition to the identified use of Great White HRM™ as a rheology modifier, the global market for low-carbon concrete production has been identified as a further opportunity. Industrial sand co-product will be sold to meet the regional shortfall in the construction market.

At the time of the commercial review in 2023, Andromeda's adjacent businesses (including high purity alumina (**HPA**) and carbon capture) were considered still at scoping or pre-scoping study stage. Accordingly, research activities related to their development were put on hold, for the Company to prioritise the development of GWP.

The commercial strategy review identified an opportunity for HPA to become part of Andromeda's adjacent product portfolio following technical and market validation.

In March 2024, Andromeda identified a cost effective opportunity to recommence test work to assess the potential viability of its proprietary novel flowsheet aimed at producing HPA from Great White kaolin feedstock. The results of that testwork were encouraging and the next phase of laboratory testwork, including a more rigorous continuous test program, is underway.

Table 1 *Andromeda's products and end-uses.*

PRODUCT	DESCRIPTION	END-USE
Great White CRM™	Fully refined and dried kaolin product. High brightness and ultra-fine.	High quality porcelain tableware.
Great White CRM™$_T$	Fully refined and dried kaolin product. High brightness, ultra-fine and high alumina.	High quality ceramic tiles.
Great White KCM™90	Refined, bright white kaolin product.	Ceramics and it can also be used for further refinement by other parties to give a premium grade product for other industry applications. It can be directly added into lower grade resources to increase the total value of the resultant combined product.
Great White HRM™	Highly reactive halloysite-kaolin rheology modifier	High solids slurries including concrete and a large range of associated applications where its suspension properties are very effective.
Industrial Sand	There two potential Andromeda sand grades, coarse and fine sand.	Construction market.

Target markets	Target segments		
Europe *Key markets – Spain & Italy*	*High-end ceramics: tiles and countertops*	**Spain** #1 importer of kaolin[1] #5 ceramic tile producer[2] #2 exporter of ceramic tiles[3] **Italy** #4 importer of kaolin[1] #7 ceramic tile producer[2] #4 exporter ceramics tiles[3]	**Countertops[4]** US$160 billion global market opening to porcelain slabs due to silicosis risk **Stage 1A+ path to market** Binding offtakes with IberoClays, Traxys
Asia Pacific *Key markets – India & Japan*	*High-end ceramics – tiles, tableware and countertops*	**India** #9 importer of kaolin[1] #2 ceramic tile producer (14% CAGR)[2] #3 exporter of ceramic tiles[3] **Japan** #3 importer of kaolin[1] Leading high-end porcelain tableware producer[6]	**Countertops[4]** As above – US$160 billion global market opening to porcelain slabs due to silicosis risks **Stage 1A+ path to market** Binding offtakes with Plantan Yamada, Traxys
China	*A broad range of high-end applications via distribution*	**Largest market** #1 consumer of kaolin #2 importer of kaolin[1] #1 exporter ceramic tiles[2]	**Deep high end-market** Multiple applications **High long-term growth[5]** Kaolin demand to grow by CAGR of 4.6% to 2025; imports CAGR of 6.6% **Stage 1A+ path to market** Binding offtake with Foshan Gaoming

1. Based on World Bank data.
2. World production and consumption of ceramic tiles 2022, Manufacturing Economics Studies (MECS), October 2023.
3. Top 10 countries for ceramic tile exports in 2018-2022 in million square metres, and Compound Annual Growth Rate (CAGR) 2018-22, Baraldi, 2023.
4. Global Countertop Industry Report, Freedonia Group, March 2023.
5. HQ Kaolin Market Study, TZMI, 2023.
6. Kaolin consumption by leading tableware manufacturers in Asia (excluding China), Hart, 2021.

Mine to market response

Andromeda's commercial strategy led to the selection of its Core, Complementary and Adjacent business products.

As a result, the Great White Deposit's 15.1 Mt JORC Ore Reserve[3] was mapped by product, as presented in Figure XX, as follows:

- **Core Products**, being:
  - » Great White CRM™$_T$ optimised for use in ceramic tiles and slabs;
  - » Great White CRM™$_P$ optimised for use in porcelain tableware; and,
  - » Great White KCM™90, for use in ceramics of further refined for other industry applications.
- **Complementary Products**, being:
  - » Great White HRM™ optimised for use as a cement additive to decarbonise concrete or as a rheology modifier; and
  - » Industrial Sand which occurs throughout the Great White Deposit.

Stage 1A to 1A+ design and construction

Under the staged, scalable approach to developing GWP, Stage 1A+ production is achieved through:

- initial development of Stage 1A Processing Plant delivering nominal production capacity of 55,000 wmt of kaolin products per annum;
- scaling up of an additional 45,000 wmt nominal production capacity to deliver total Stage 1A+ nominal production capacity of 100,000 wmt per annum.

The Stage 1A+ Processing Plant is designed to initially produce Great White CRM™ and Great White KCM™90, with built-in optionality to produce Great White HRM™ and feedstock to meet the need for other products customers may demand.

This staged approach de-risks the Project's development and expedites expected first production from Stage 1A to occur 12 months following a final investment decision being made.

First production from the Stage 1A+ expansion is expected to occur 3 months later, some 15 months from a final investment decision being made.

3 *Refer to Table of Reserves – Great White Deposit on page 35. The 15.1 Mt Ore Reserves includes 5.1 Mt classed as Proven and 10.0 Mt as Probable.*

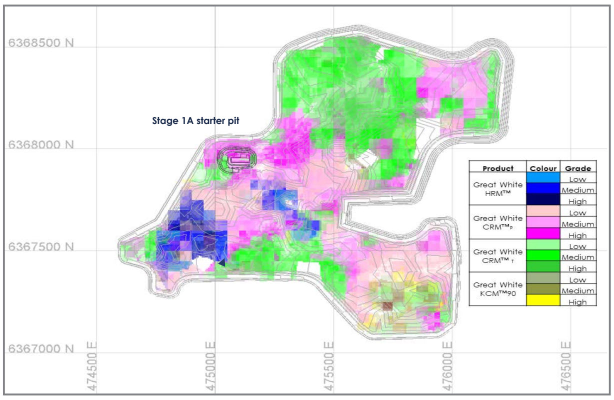


Figure 4 *Stage 1A+ starter pit position, products, and grades.*

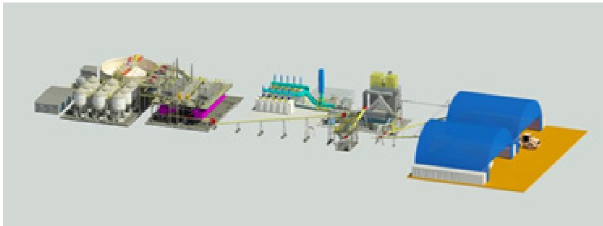


Figure 5 *3D design model of Stage 1A+ processing plant.*

Ordering of long lead items

During FY24, the procurement of long lead items for the Stage 1A+ processing plant progressed, with all items ordered and with design and fabrication progressed. As at the end of the period, a majority of milestone payments had been made.

The current status of long lead items is as follows:

- Fluidised bed dryer – built, ready for shipment;
- Thickener – built, ready for shipment;
- Drum washer – built, factory acceptance testing (**FAT**) completed;
- Filter press – major construction is complete awaiting FAT; and,
- Filter cake feeder – engineering design complete, fabrication to commence following anticipated FID.

The Company also made preparations for the procurement of the 'balance of plant' capital and infrastructure items.

Subject to making a final investment decision, planned activities will be run in parallel, where possible, to complete construction as efficiently as possible.

Initial shipments, and consequent revenue for the Company, under the initial Stage 1A development is expected 12 months following a final investment decision being made, with production from the expanded Stage 1A+ to occur 3 months later, 15 months following FID.

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Streaky Bay pilot plant

During FY24, the Streaky Bay Pilot Plant (**SBPP**) continued to operate, replicating the process flowsheet to be used at the Stage 1A+ processing plant. The SBPP has enabled Andromeda to confirm the product quality from samples collected in the area that will be mined in the early years of GWP's anticipated operations.

During the period, the SBPP continued successfully producing new samples for customer and partner evaluation and to undertake further test work, in addition to informing the engineering design of the GWP processing plant, project execution and financial modelling of the Project.

Following the review, a re-set of SBPP's operations was undertaken, recommencing in late-July with an expanded ability to produce large scale samples.

Regulatory approvals and land purchase

GWP has received all approvals to commence construction. This includes:

- Mining Lease (ML 6532) and the associated Mining Miscellaneous Purpose Lease (MPL 164) were granted in December 2021;
- Program for Environment Protection and Rehabilitation (**PEPR**), covering Stages 1A+ and 1B, was approved in March 2023; and,
- EPA Works approval received in March 2023.

During FY24, the purchase of the freehold land underlying GWP was completed in March 2024. Following this, fencing to assist in securing the property and monitoring equipment were erected.

Under the approvals, progression to the construction phase of the Project is subject to:

- Lodgement of $3.79 million for the Environmental Bond to cover the rehabilitation liability; and
- Payment of approximately $665,000 for the Significant Environmental Benefit (**SEB**) into the Native Vegetation Fund.

EXECUTION

Branding and market positioning

Andromeda's core products are ideally suited for, and targeted at, the high-quality ceramic tiles and slabs, and porcelain tableware market segments.

These market segments are large and established, where customers require consistent quality in kaolin products to be maintained over time.

To support premium pricing of kaolin products from GWP in these segments, an extensive series of product validation work and trials were conducted throughout FY24.

Successful product validation programs require credible independent institutions and/or potential offtake partners with the requisite industry expertise, capability, with the requisite equipment to test and validate the high-quality and value in use of Andromeda's products.

For Great White CRM™ and Great White KCM™90, this included:

- Independent test work, international benchmarking and value in use analysis, conducted by Spain's Institute of Technical Ceramics (**ITC**); and
- Product characterisation and international benchmarking conducted by IberoClays.

The product validation program for these products determined they:

- exhibited world class levels of brightness, aluminium-to-iron ratios and mechanical strength when fired[4,5];
- represented above-market value in use in the fast-growing large format porcelain and ceramic tile and glaze segments4,5; and,
- supported up to a 20% zircon-displacement potential in the ultra-white and super-white ceramic slab segments[6].

4 *Refer ADN ASX dated 8 June 2023 titled Investor Presentation.*
5 *Refer ADN ASX dated 19 January 2024 titled Binding Sales and Distribution Agreement with IberoClays SLU.*
6 *Refer ADN ASX dated 18 June 2024 titled Report on Zircon Displacement for Great White CRM™.*

Increasing awareness and end-user interest in GWP's kaolin products led, in March 2024, to Andromeda being invited to present at the Raw Materials for Ceramic Tile Conference in Italy.

For Great White HRM™, a product validation and commercialisation program was conducted during FY24. The program led to a number of end-user technical validation trials for the use of Great White HRM™, with cement suppliers and concrete manufacturers.

Following these trials, a Strategic Alliance Agreement with Hallett Group was signed[7] with the product subsequently progressing to Stage 2, as defined under the agreement.

Binding offtake agreements

Securing good quality binding offtake agreements for kaolin products is a lengthy and complicated process.

The results from the technical validation program conducted during FY24 supported discussions with a broad range of potential customers.

This resulted in a significant increase in the number and size of GWP product sample requests from end-use customers.

During FY24, this saw the Company sign binding offtake agreements, with the following:

- Foshan Gaoming for the purchase of Great White CRM™ and Great White KCM™90 over 5 years, for sales into the Chinese market.[8]
- IberoClays, the leading formulator of ceramic tile minerals into Europe, for Great White CRM™ and Great White HRM™ for sales over an initial period of 5 years into various markets across the Mediterranean[9]; and,
- Traxys, a leading global industrial minerals trader for Great White CRM™ and Great White HRM™ [9] for sales over an initial period of 5 years into various markets across the Mediterranean.[10]

These three agreements add to the binding offtake agreement signed previously with Yamada Plantan, a high-quality ceramics and porcelain tableware manufacturer, for Great White KCM™90 into the Japanese market.[11]

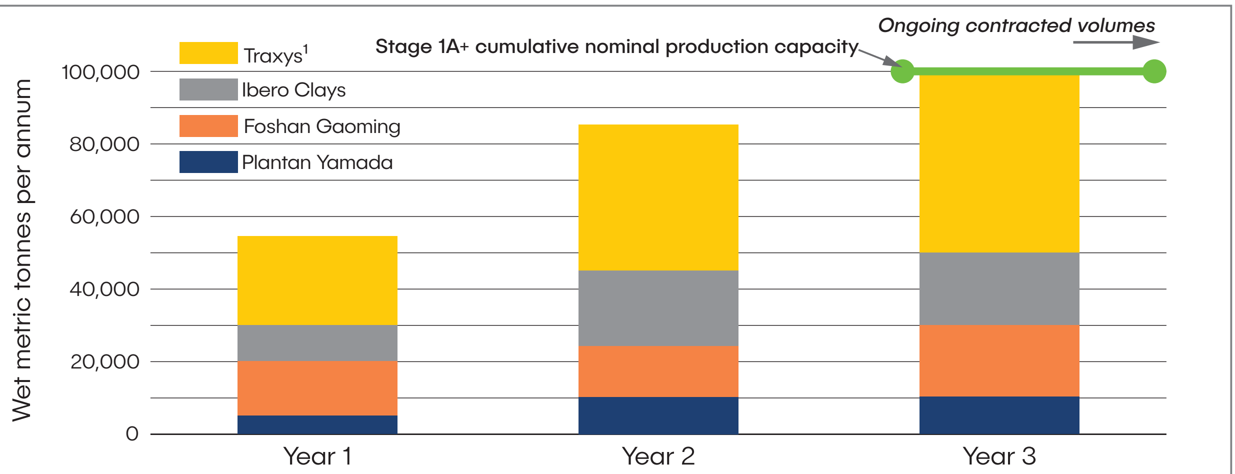
Together these four binding offtake agreements underpin production under Stage 1A+ and support funding discussions to support a final investment decision being made.

7 *Refer ADN ASX dated 16 November 2023 titled Strategic Alliance Agreement signed with Hallett Group.*
8 *Refer to ADN ASX dated 7 June 2023 titled Term Sheet signed for significant quantities of kaolin products for Chinese market.*
9 *Great White HRM™ offtake agreements with Traxys and IberoClays are subject to conditions precedent in their favour relating to market acceptance of the product.*
10 *Refer to ADN ASX dated 17 July 2024 titled Binding Offtake Agreement signed with Traxys.*
11 *Refer to ADN ASX dated 8 June 2023 titled Binding Offtake Agreement signed for Japanese market.*

			MARKETS	
			EXCLUSIVE	NON-EXCLUSIVE
	**Great White KCM™90**	Refined, bright white kaolin product for use in high-end ceramics and porcelain		
	Plantan Yamada	25,000 tonnes over the first three years of production	Japan	
	Foshan Gaoming	5,000 tonnes in the first year of production		China
	**Great White CRM™**	High-value refined product for use in high-end ceramic tiles and slabs, and porcelain tableware		
	Traxys	Year 1 – 25,000 tonnes Year 2 – 40,000 tonnes Year 3 – 50,000 tonnes Commitment for 50% of total production, up to 130,000 tpa	Middle East (excluding Egypt and Morocco), Turkey, Sweden, Denmark, Norway, Finland, Iceland, Poland, Brazil, India, Vietnam and Bangladesh	
	IberoClays	Initial 5 year period, with sales of 8,000–10,000 wmt in the first year of production, and 10,000–20,000 wmt pa from the second year onwards (at Andromeda's option)	Spain, Portugal and Italy	France, Morocco and Egypt
	Foshan Gaoming	115,000 tonnes over the first 5 years of production		China and Taiwan
	**Great White HRM™**	Additive to decarbonise concrete and as a rheology modifier[1]		
	Traxys	5,000–10,000 tpa for sale into concrete applications for an initial 5 year period	Turkey, India, France and Middle East	
	IberoClays	2,000 tpa		Spain and Portugal

1 *Subject to the certification for sales into relevant markets, and the securing of end-user agreements*

Figure 6 *GWP signed offtake agreements.*



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, adjusted per Seller's volume option for Year 3.
3. Refer ADN ASX dated 19 January 2024 titled Binding Sales and Distribution Agreement Signed with IberoClays.
4. Refer ADN ASX dated 17 July 2024 titled Binding Offtake Agreement signed with Traxys
5. Volumes exclude contracted volumes for Great White HRMTM

Figure 7 *Offtake Agreements underpinning Stage 1A+ production*[5].

2023 DEFINITIVE FEASIBILITY STUDY[1,2]

Following the updated Commercial Strategy, Andromeda updated the previous 2022 DFS by developing the 2023 DFS.

The 2023 DFS confirmed the staged approach to the development of the Great White Project resulted in:

- pre-tax net present value (NPV8) of $1.01 billion, representing a 65% increase when compared to the 2022 DFS,
- average annual EBITDA of $130 million, representing an increase of 59% to the 2022 DFS, and,
- an improved weighted average product margin of $450/tonne of product, reflecting a 34% increase to the 2022 DFS.

The key drivers of these improvements were:

- Strengthened global prices driven by geopolitical risk and global and regional supply shortages
- Enhanced product mix and partner portfolio
- Established high value in use of Andromeda products in key market segments, and,
- An updated mine development plan (based on the Market to Mine response) that supports an accelerated sales profile and reduced costs.

The 2023 DFS is based on a four-stage development process (Stages 1A, 1B, 2 and 1A+), ramping up to full anticipated production of 300 ktpa over the 28-year life of mine. The production summary across the LOM can be seen in Table 8.

Stage 1A+ expansion plans brought forward[1,2]

Following the completion of the 2023 DFS, the strength of market discussions led the Company to anticipate that total sales volumes for GWP's kaolin products was likely to exceed planned nominal production of 50,000 tpa under the initial Stage 1A.

In anticipation of this occurring, in February 2024, a Bankable Feasibility Study was completed, to support discussions with debt financiers.

In May 2024, the decision was made to bring forward the Stage 1A+ expansion, to reach cumulative nominal kaolin production of 90,000 tpa (100,000 wmt pa) soon after first production under Stage 1A was achieved.

In July 2024, a binding offtake agreement with Traxys was signed, covering up to 50% of available processing capacity (capped at 130,000 wmt p.a.), for sale into various global markets.

With a total of four binding offtakes underpinning the production and funding of Stage 1A+, the Company achieved all anticipated key elements to support a funding process for Stage 1A+ in support of a final investment decision being made.

1 *The forecast financial information relates to an Ore Reserve Estimate that has been previously announced to ASX on 6 April 2022 titled Great White Kaolin Project – Definitive Feasibility Study and Updated Ore Reserve. Andromeda confirms that it is not aware of any new information or data that materially affects the information included in these market announcements (unless otherwise stated) and that all material assumptions and technical parameters underpinning the estimates and forecast financial information continue to apply and have not materially changed.*

2 *Refer to Table of Reserves – Great White Deposit on page 35. The 15.1 Mt Ore Reserves includes 5.1 Mt classed as Proven and 10.0 Mt as Probable.*

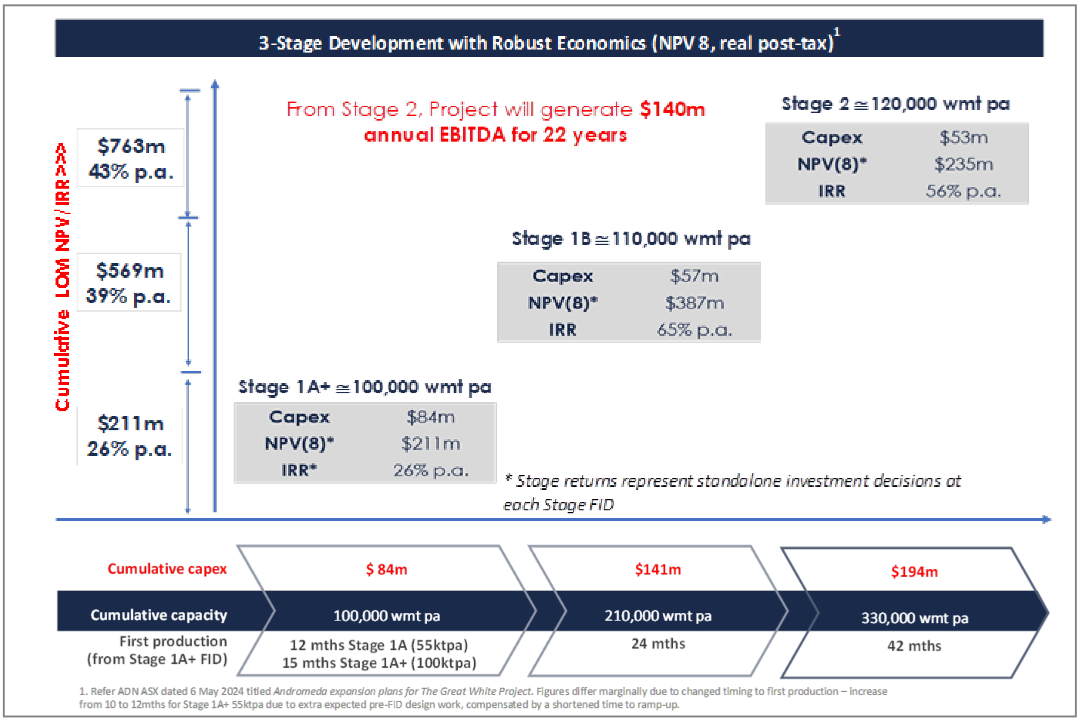


Figure 8 *Planned development stages for GWP.*

Exploration

During the period Andromeda's focus was on developing the Great White Project with regional exploration activities minimised to levels where core exploration tenements were maintained in good standing, Eyre Kaolin Joint Venture requirements were met, and divestment of non-core assets advanced.

Great White Deposit

SOUTH AUSTRALIA

Andromeda 100%

The GWP is centred around the Great White Deposit which underpins the planned 28-year mining operation detailed in the 2023 DFS (see page 17).

The Ore Reserve Estimate for the Great White Deposit is 15.1 Mt of bright white kaolinised granite, comprising 34% Proved Reserve and 66% Probable Reserve[9], capable of producing a refined product with a high average alumina content of greater than 36%, with properties suited to the high-end porcelain and tiles markets.

Mining Lease (ML 6532) underpinning the GWP, was granted in December 2021, by South Australia's Department for Energy and Mining (**DEM**), along with supporting Miscellaneous Purposes Licences (MPL 163 and 164).

In March 2024 Andromeda announced that the subdivision process and issuing of land titles in line with the GWP mine site footprint had been completed.

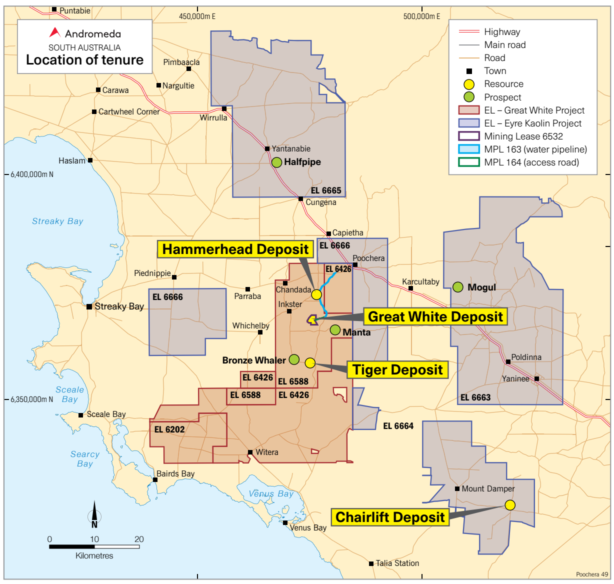


***Figure 9** Great White Deposit Mining Lease and Miscellaneous Purposes Licences.*

***Table 2** Great White Ore Reserve.*

RESERVE CATEGORY	MT	YIELD (%)	HALLOYSITE (%)	BRIGHTNESS (%)	Fe_2O_3 (%)
Proved	5.2	45	14	84	0.5
Probable	10.0	46	10	83	0.5
Total	15.1	46	11	84	0.5

9 Refer ADN ASX announcement dated 6 April 2022 titled "Great White Kaolin Project - Definitive Feasibility study and Updated Ore Reserve".

10 Refer ADN ASX announcement dated 18 August 2022 titled "Andromeda progresses Great White Kaolin Project with signing of Land Acquisition Agreements and lodgement of PEPR".

11 Refer ADN ASX announcement dated 25 March 2024 titled " Settlement of The Great White Project Land Purchase"..

Hammerhead Deposit

SOUTH AUSTRALIA

Andromeda 100%

Andromeda's Hammerhead Deposit is approximately 5 km northeast of the Great White Deposit (See Figure 9).

An Inferred Mineral Resource for the Hammerhead Deposit of 51.5 Mt of kaolinised granite reported at an ISO Brightness (ISO B R457) cut-off of 75 in the minus 45μm size fraction has been estimated (refer Table 1).

Table 3 *Hammerhead Kaolin Mineral Resource.*

DOMAIN	MT	PSD <45 μM	KAOLINITE %	HALLOYSITE %
Main	43.1	52.7	43.2	5.4
Halloysite	8.4	52.1	40.5	12.0
Total	51.5	52.6	42.7	6.5

Note that all figures are rounded to reflect appropriate levels of confidence.

The Resource contains 27.1Mt of High Bright kaolin product (ISO B >80) in the minus 45 μm recovered fraction, with the remaining approximate 47.4% of material being largely of residual quartz derived from the weathered granite. The Halloysite sub domain contains 4.7 Mt of minus 45 μm material comprised of 21.6% halloysite with an ISO B of 82.9.

Table 4 *Hammerhead Kaolin Mineral Resource <45μm.*

DOMAIN	MT	ISO B	KAOLINITE %	HALLOYSITE %	Al_2O_3 %	Fe_2O_3 %	TiO_2 %
Main	22.4	82.0	82.7	10.4	36.90	0.63	0.73
Halloysite	4.7	82.9	72.9	21.6	37.47	0.64	0.62
Total	27.1	82.2	81.0	12.3	36.99	0.63	0.71

Note that all figures are rounded to reflect appropriate levels of confidence.

Tiger Deposit

SOUTH AUSTRALIA

Andromeda 100%

Andromeda's Tiger Kaolin Deposit is approximately 10 km south of the Great White Deposit.

A Mineral Resource Estimate for the Tiger deposit of 12.1Mt containing 7.2 Mt of kaolinite (in the <45 μm size fraction) has been estimated.[12]

The Tiger Kaolin Deposit further demonstrates GWP's potential to become a world class producer of kaolin.

Table 5 *Tiger Kaolin Mineral Resource.*

CLASSIFICATION	Mt	PSD <45μm	KAOLINITE + HALLOYSITE %
Inferred	12.1	59.9	56.7

Table 6 Tiger Kaolin Mineral Resource <45μm

CLASSIFICATION	Mt	ISO B	KAOLINITE + HALLOYSITE %	Al_2O_3 %	Fe_2O_3 %	TiO_2 %
Inferred	7.2	83.1	94.7	37.2	0.81	0.61

Note that all figures are rounded to reflect appropriate levels of confidence

12 *Refer ADN ASX announcement dated 23 March 2022 titled "Maiden Tiger Kaolin Resource and Regional Rare Earth Element Potential".*

Eyre Kaolin Project

SOUTH AUSTRALIA

Andromeda 51%
(earning up to a further 29%, for a total of 80% interest, in the tenements through sole funding expenditure of $2 million over three years)[13]

In August 2021 Andromeda entered into a binding Heads of Agreement with private entity Peninsula Exploration Pty Ltd (**Peninsula**) to form the Eyre Kaolin Joint Venture (**EKJV**) comprising four tenements near GWP on the western Eyre Peninsula of South Australia. The four exploration licences cover 2,799 km^2 and are explored for kaolin with properties that are complementary to those of the Great White Deposit's kaolin. Subsequent to the reporting period Andromeda announced that it had met the requirements of the Stage 1 earn-in1 having expended $750,000 conducting exploration and evaluation activities within the initial three (3) year timeframe, thereby earning a 51% interest.

During the financial year the Company announced an Inferred Resource of 53.5 Mt of kaolin comprised of 27.0 Mt of Bright White, low titanium kaolinised granite (**Chairlift CRM**), and 26.5 Mt of rheology modifier kaolin (**Chairlift HRM**).[14]

***Table 7** Chairlift Kaolin Mineral Resource.*

DOMAIN	MT	PSD <45µm	KAOLINITE + HALLOYSITE %
Chairlift CRM -	27.0	27.0	27.0
Chairlift HRM	26.5	26.5	26.5
Total	53.5	50.4	46

Note that all figures are rounded to reflect appropriate levels of confidence.

***Table 8** Chairlift Kaolin Mineral Resource <45 µm.*

DOMAIN	MT	ISO B	KAOLINITE + HALLOYSITE %	Al_2O_3 %	Fe_2O_3 %	TiO_2 %
Chairlift CRM – Inferred	13.3	82.8	91	36.6	0.50	0.18
Chairlift HRM– Inferred	13.7	81.0	91	36.8	0.74	0.18
Total – Inferred	26.9	81.9	91	36.7	0.62	0.18

Note that all figures are rounded to reflect appropriate levels of confidence.

13 *Refer ADN ASX announcement dated 15 July 2024 titled "Andromeda earns 51% interest in Eyre Kaolin Joint Venture.*

14 *Refer ADN ASX announcement dated 23 March 2022 titled "Maiden Tiger Kaolin Resource and Regional Rare Earth Element Potential"."*

Mount Hope Kaolin Project

SOUTH AUSTRALIA

Andromeda 100%

Andromeda holds a 100% interest in the Mount Hope Kaolin Project, approximately 160 km southeast of GWP.

Work undertaken by Andromeda defined significant areas of ultra-high bright white kaolin with exceptionally low iron contaminant levels.

An Inferred Mineral Resource for Mount Hope of 18.0Mt of bright white kaolinised granite was subsequently estimated using an ISO B cut-off of 75, yielding 7.5Mt of minus 45 µm quality kaolin product.

***Table 9** Mount Hope Kaolin Mineral Resource (whole rock).*

DOMAIN	Mt	PSD <45µm	KAOLINITE %	HALLOYSITE %
Main	12.8	40.95	33.6	0.9
Halloysite	1.6	39.13	25.6	6.7
Ultra-bright	3.7	44.37	38.0	0.7
Total	18.0	41.49	33.8	1.4

Note that all figures are rounded to reflect appropriate levels of confidence

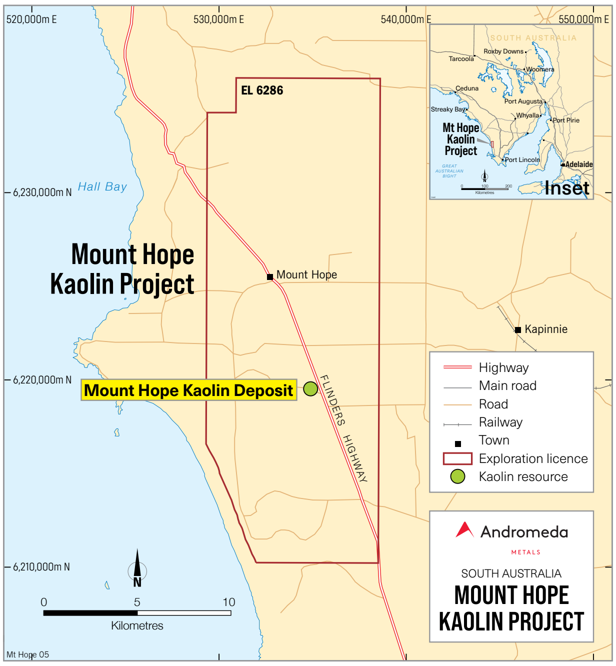


***Figure 10** Mount Hope licence area.*

The Ultra-bright sub domain contains 1.6Mt of minus 45-micron material with an ISO B of 84.1 and the Halloysite sub domain contains 0.6Mt of minus 45 µm material comprised of 17.2% halloysite.

***Table 10** Mount Hope Kaolin Mineral Resource (in the <45µm).*

DOMAIN	Mt	ISO B	KAOLINITE %	HALLOYSITE %	Al_2O_3 %	Fe_2O_3 %	TiO_2 %
Main	5.2	81.8	82.1	2.2	35.1	0.56	0.62
Halloysite	0.6	81.2	65.4	17.2	34.8	0.60	0.63
Ultra-bright	1.6	84.1	85.7	1.5	36.0	0.32	0.63
Total	7.5	82.2	81.4	3.3	35.3	0.51	0.62

Note that all figures are rounded to reflect appropriate levels of confidence.

The Ultra-bright Domain is of extremely high purity, bright white kaolin with low halloysite levels. This makes it ideally suited to high-value markets in specialist coatings and polymers.

Wudinna Gold Project

SOUTH AUSTRALIA

Andromeda 0–25%

The Wudinna Gold Project (**WGP**) comprised of five tenements that total 1,832 km^2 in the Central Gawler Ranges, South Australia.

In October 2017, Andromeda, via wholly owned subsidiary Peninsula Resources Pty Ltd (**PRL**), entered into a farm-in and joint venture agreement (**Farm-in**) to progress the Wudinna Gold Project with Lady Alice Mines Pty Ltd (**LAM**). In March 2019, LAM was acquired by Cobra, a company listed on the London Stock Exchange. Under the Farm-in, LAM earned a 75% interest in the five tenements by expending $5million on exploration.

In November 2023, Andromeda advised that it has entered into a Subdivision and Sale Agreement (**Agreement**) with Cobra Resources plc (**Cobra**) for the sale of the remaining 25% interest it held in the five tenements, for the consideration of $500,000 in cash and $1,000,000 in shares of Cobra.

In April 2024, Andromeda confirmed[15] the sale and purchase had been completed and Andromeda had received $500,000 in cash, and 52,010,000 Cobra shares.

As at 30 June 2024, the tenement transfer process was yet to be completed, with the tenements still remaining 100% in PRL's name. The South Australian Department for Energy and Mines allows for two methods of transferring exploration tenure between companies: direct tenement transfer and a subdivision process, each with their own benefits. The subdivision process which would see a 75:25 split by area of the tenements between LAM and Andromeda.

15 Refer ADN ASX dated 23 April 2024 titled "Completion of Sale of Interest in Wudinna Gold Project", Andromeda no longer holds any interest in any of the Wudinna Gold Project's resources.

Moonta Copper Gold Project

SOUTH AUSTRALIA

Andromeda 0–25%

The Moonta Copper-Gold Project falls near the southern end of the Olympic Copper- Gold Province in South Australia. The Olympic Copper-Gold Province is highly prospective for world class Iron Oxide Copper Gold (**IOCG**) deposits as exampled by Olympic Dam, Prominent Hill and Carrapateena Mines.

In December 2023, Andromeda advised[16] that it had entered into a Sale and Purchase Agreement via its wholly owned subsidiary PRL, for exploration licence EL5984 with EnviroCopper Ltd (**ECL**) and its wholly owned subsidiary Environmental Metals Recovery Pty Ltd (**EMR**).

In January 2024, Andromeda announced that the sale and purchase had been completed and Andromeda had received; $50,000 in cash; 203,008 fully paid ordinary shares in ECL, grant of a royalty, equal to 10% of the operating cashflow derived from the Alford Project Area (limited to $15 million), a royalty equal to 10% of the operating cashflow derived from in respect of the Moonta Project Area (limited to $15 million).

Andromeda will also be entitled to receive; $100,000 in cash or 101,504 fully paid ordinary shares in ECL following successful completion of a Site Environmental Lixiviant Test (**SELT**) within the Project Area being undertaken and, a further $150,000 in cash following granting of a Mining Lease within the Project Area.

As previously described, the South Australian Department for Energy and Mines allows for two methods of transferring exploration tenure between companies: direct tenement transfer and a subdivision process. ECR's preferred method would be through the subdivision process which would see a 75:25 split by area of the tenements between ECR and Andromeda.

16 Refer ADN ASX dated 24 January 2024 titled "Completion of Sale of Moonta Copper Gold Project", Andromeda no longer holds any interest in any of the Moonta Copper Project's resources.

Corporate

DIVESTMENT OF NON-CORE PROJECTS

Andromeda's strategic focus remains on developing GWP and our portfolio of kaolin projects. In support of this, the Company made significant progress in divesting its gold and copper assets to reduce costs and assist in raising capital to support GWP's funding needs.

SALE OF DRUMMOND

On 14 November 2023, the sale of the Drummond Epithermal Gold Project (via the sale of subsidiary Adelaide Exploration Pty Ltd) to Trigg Minerals Limited (**Trigg**) completed.

The Company received $27,000 cash, a reimbursement of $7,500 in cash for the environmental bonds for the project and was allotted 29.5 million shares in Trigg as consideration for the sale and reimbursement of expenses related to the sale.

The Company received $206,500 for the sale of the 29.5 million Trigg shares in June 2024.

SALE OF WUDINNA

On 15 November 2023, the Company announced that it had entered into a Subdivision and Sale Agreement for the sale of its remaining 25% interest in the Wudinna Gold Project to a subsidiary of Cobra Resources plc (Cobra) for the consideration of $500,000 in cash and $1,000,000 shares in Cobra.

The sale completed in April 2024.

The 52,010,000 Cobra Shares that were issued are subject to escrow until the earlier of:

i) when Cobra (through its subsidiary) becomes the registered holder of the tenements applicable to the Wudinna Project (via tenement transfer or the subdivision process in the Mining Act); or

ii) the date that is 12 months from the date of the issue of the Cobra Shares.

Once the escrow ends, the Cobra Shares will be subject to standard orderly market provisions for a further 12 month period (where if the Company wanted to sell the Cobra Shares it would need to first notify Cobra and allow Cobra the opportunity to effect the sale via its brokers at market price).

SALE OF MOONTA

On 18 December 2023 the Company announced it had entered into an agreement with EnviroCopper Limited (**ECL**) and its wholly owned subsidiary Environmental Metals Recovery Pty Ltd (**EMR**) for the sale of the Moonta Project (EL 5984), via the subdivision process in the Mining Act, through the Company's wholly owned subsidiary Peninsula Resources Pty Ltd (**Peninsula**).

At completion of the sale on 24 January 2024, Peninsula received:

- $50,000 in cash
- 203,008 shares in ECL
- Grant of a royalty equal to 10% of the operating cashflow derived from the Alford Project Area, up to $15 million
- Grant of a royalty equal to 10% of the operating cashflow derived from the Moonta Project Area, up to $15 million.

Following successful completion of a Site Environmental Lixiviant Test (**SELT**) within the Project Area, Peninsula will be entitled (at its sole discretion to either:

- $100,000 in cash;
- 101,504 fully paid ordinary shares in ECL.

Following the granting of a Mining Lease within the Project Area to ECL (or its related body corporate or nominee or assignee), Peninsula will be entitled to a further $150,000 in cash.

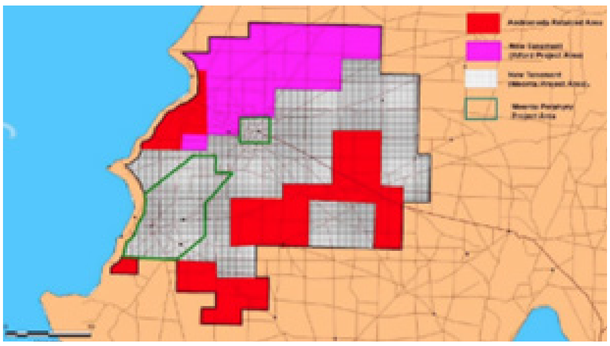


Figure 11 *Moonta Copper Gold Project tenements.*

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CAPITAL STRUCTURE

During the period, no shares were issued in the Company.

On 3 February 2024, 262,500 ordinary shares subject to a voluntary escrow, were released from escrow.

On 18 March 2024, 22,653,500 Performance Rights were issued to employees under the employee incentive scheme, in accordance with the long term incentive plan. A further 10,138,200 Performance Rights were offered to Mr Katsiouleris, under the employee incentive scheme, in accordance with the long term incentive plan, but subject to shareholder approval (which is to be sought at the 2024 Annual General Meeting).

These Performance rights are subject to vesting conditions over a 3-year performance period.

Mr Luke Anderson also received a once-off grant of 15 million Performance Rights on 31 July 2024 with vesting conditions linked to project development and commercial production at the Great White Project and a 3 year performance period, but these lapsed on his resignation.

On 23 December 2023, 14,199,331 Performance Rights expired without exercise or conversion.

30 June 2024, 2,760,000 Performance Rights expired without exercise or conversion.

BOARD AND MANAGEMENT CHANGES

On 10 October 2023, James Marsh stepped down as a Director and remained in his executive sales in marketing role.

On 17 November 2023, the Company undertook a review of its organisational structure following the strategic review of the Company's corporate positioning and business strategy. As a result of that review a decision was made to consolidate roles and simplify the Company's structure, to create a more sustainable business foundation. Consequently, James Marsh (Sales and Marketing) and Tim Anderson (Chief Commercial Officer) departed the Company.

On 20 November 2023, Pascal Alexander-Bossy was appointed as Chief Financial Officer. Mr Alexander-Bossy is an experienced commodity and mining finance professional with extensive international and Australian cross-commodity and cross-product experience.

On 2 February 2024, Ms Melissa Holzberger stepped down as an independent Non-executive Director of the Company, reflecting a change in her other board commitments.

On 21 February 2024, Sue-Ann Higgins was appointed as an independent Non-executive Director of the Company. Ms Higgins is an experienced legal practitioner and company director, with diversified skills and global corporate experience, gained over 30 years of experience in executive and non-executive roles in the resources sector.

On 31 July 2024 Robert (Bob) Katsiouleris stepped down as Manager Director and CEO and was replaced by Luke Anderson, who commenced as Managing Director and CEO on 1 August 2024.

On 11 September 2024, Luke Anderson regrettably resigned for health reasons. Sarah Clarke, in addition to her roles as General Counsel and Company Secretary, was appointed as Acting CEO, until a suitable replacement can be found.

At the same time, to provide greater support and day-to-day involvement by an Executive Chair with project funding and transactions experience, Mick Wilkes made the decision to stand down as Non-executive Chair and remain on the Board as a Non-executive Director, with the Board appointing Sue-Ann Higgins as Executive Chair.

TAX REFUNDS

On 28 July 2023, the Company received a refund of $1.2 million from the Australian Tax Office for the FY22 Income Tax Return. The refund is related to research & development incentives for activity conducted during the 2022 financial year.

On 25 January 2024, the Company received payment of $3.1 million tax refund due to research and development incentives for activity conducted in the 2023 financial year from the Australian Taxation Office.

Sustainability

- All major approvals in place to commence construction
- No environmental incidents
- Full compliance with laws and regulations and permit conditions
- Zero lost time Injuries
- 25% of workforce are female, with 25% of Board and Executives females
- Regular engagement with key stakeholders.

Sustainability is an essential element of Andromeda's activities. It is an investment in society as well as in our own future. We firmly believe that anchoring sustainable practices as part of our business strategy will lead to environmental, social and economic progress.

Sustainability is therefore central to how we manage our business in terms of our planning for future operations and international trade of our products, but also our contribution to regional, national and international challenges, including climate change.

We are committed to the highest standards of corporate governance, ethics and integrity. Sound governance is a cornerstone of our ability to create shared value.

Andromeda is a mining company which is dedicated to responsible resource development and mining practices.

Our focus is on the sustainable development of our operational and governance structures and systems and we strive to work collaboratively with all our stakeholders to be a supplier, partner and employer of choice.

As we mature as a company, we aim to move towards the anticipated construction and eventual production, in a safe, ethical and sustainable way.

We recognise the critical importance of sustainable practices in our operations and are committed to minimising the impact of our operations, reducing greenhouse gas emissions, supporting local communities, and ensuring ethical business conduct.

We aim to do this through communicating and engaging with our stakeholders transparently and in a timely manner, regarding our efforts to create long-term value for all stakeholders while minimising any adverse effects on the environment and society.

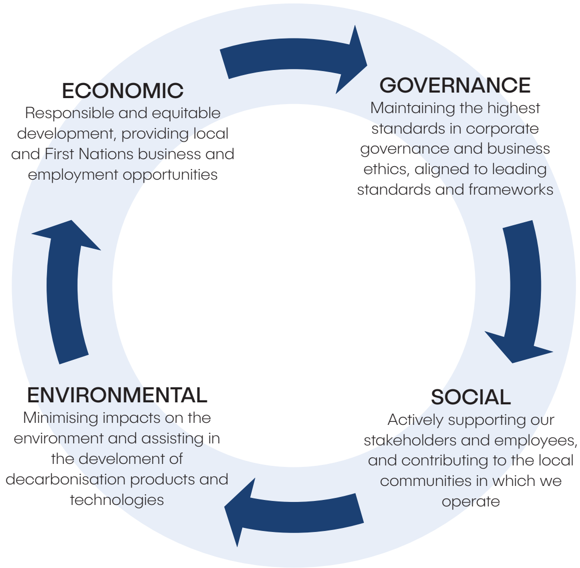
As the Company progresses the development of GWP, we have also been enhancing our governance and operational structures and systems.

The solid governance foundations put in place during 2022 have supported growth in the Company's size and capabilities, leading to an evolution during 2023 in the Company's corporate positioning and business strategy.

In FY24 Andromeda pleasingly had no lost time injuries, no environmental incidents, full compliance with laws and regulations; and continues to make progress in the gender diversity of our valued team.

We are committed to continuous improvement and look forward to further strengthening our focus and expanding our commitments in ESG areas and creating sustainable value for all our stakeholders.

When anticipated production commences, Andromeda is committed to implementing leading ESG reporting frameworks, including development of an implementation plan for reporting climate disclosures using the Task Force on Climate-Related Financial Disclosures (TCFD), the Taskforce on Nature-related Financial Disclosures (TNFD) framework; and the adoption of the International Sustainability Standards Board (ISSB) Sustainability Disclosure Standards.



GOVERNANCE FRAMEWORK

Sound governance is a cornerstone of our ability to create shared value. We are devoted to the highest standards of corporate governance, ethics and integrity.

Andromeda acknowledges the importance of committing to and establishing an integrated and consistent approach to reporting on Environmental, Social and Governance (ESG) factors and the impact our business has on the prosperity of people and the planet. This commitment has been adopted at the highest level within Andromeda.

In 2022, our Board created a separate, dedicated Sustainability and Governance Committee to lead on all aspects of our governance, environmental and social sustainability.

The Company is committed to responsible financial and business practices, and the highest standards of corporate governance, including the corporate governance guidelines and recommendations set out by the ASX Corporate Governance Principles and Recommendations (ASX Guidelines).

Andromeda's Corporate Governance Statement dated and approved by the Board on 26 September 2024 can be found at *www.andromet.com.au/who-we-are/corporate-governance/*, together with the ASX Appendix 4G, addressing the ASX Principles and Recommendations to disclosures in this statement and the current Annual Financial Report.

Andromeda's Sustainability and Governance Committee Charter, which is available under Our Charters on Andromeda's website, formalises our governance structure and commitment.

The Sustainability and Governance Committee Charter formalises Andromeda's commitment to conducting business ethically and sustainably, taking into account the needs of current and future stakeholders and integrating sustainability considerations into all aspects of its decision making.

We maintain a robust corporate governance structure, incorporating sustainability principles into our decision-making processes. Our Board of Directors oversees sustainability matters through regular updates, policy reviews, and audits.

COMPANY POLICIES AND STANDARDS

Andromeda will operate in accordance with a framework of internal company policies developed to ensure consistent and coordinated management of issues relating to the environment, its stakeholders and work health and safety.

These will be continually reviewed and monitored in line with South Australian and Commonwealth law and the progression of the Project. The consistent application of policies and procedures will help prevent or resolve issues, such as claims of unfair dismissal, workplace health and safety prosecution, environmental or right of entry breaches, and discrimination claims.

OUR MATERIAL TOPICS

The United Nations Sustainable Development Goals (SDGs) are a principles-based approach and form part of the 'Transforming our world: the 2030 Agenda' for Sustainable Development' adopted on September 25 2015, by the 193 United Nations Member States.

The 17 SDGs aim to address some of the world's pressing economic, social and environmental challenges and represent the world's comprehensive plan of action for social inclusion, environmental sustainability and economic development.

Through aligning our approach to sustainability with the UN SDGs, Andromeda has identified 11 of the 17 goals as specific targets. Within each goal we have selected specific indicators and have prioritized these in order to measure our impact in accordance with 'Agenda 2030'.

We have selected three pillars that we feel are most relevant to operating our business responsibly and where we can have the biggest impact. The material topics which have been identified as priority ESG areas are:

ENVIRONMENT Emissions

COMMUNITIES Community engagement

OUR PEOPLE Health, safety, and wellbeing

Our immediate priorities will be to focus on:

- #3 Good health and well-being
- #9 Industry, innovation, and infrastructure
- #13 Climate change

As we progress towards production we will begin to track and disclose positive and negative impacts of our operations against each indicator and goal, and identify the short-term, medium-term or long-term nature of indicator.

ENVIRONMENT

Climate change and our commitment to reduce GHG emissions

Andromeda accepts the science of climate change. The result of human activity has seen a continued rise in concentration of greenhouse gas (**GHG**) emissions – which in turn has been a rise in average global temperatures. From this we continue to see an increase in catastrophic weather events resulting in natural disasters and we see a continual negative impact on the wellbeing of people and the planet.

Andromeda accepts that the activities associated with minerals extraction, innovation of products through research and development and testing, can contribute to rising temperatures through GHG emissions.

Andromeda believes there is a positive role to play in addressing climate change. As the Company evolves, it plans to continually adapt its operations and adopt contemporary, innovative mine design solutions to accommodate the reality of global warming and to transition towards a low-emissions future.

Consequently, the Company is committed to reducing GHG emissions with the aspiration of achieving net zero emissions over time and will seek to develop an implementation plan for reporting climate disclosures using the Task Force on Climate-Related Financial Disclosures (TCFD) framework into the Company's future Annual Reports.

Greenhouse gas (GHG) emissions

The National Greenhouse and Energy Reporting Act (**NGER**) and its associated regulations and guidelines govern the reporting of GHG emissions in Australia, providing mandatory reporting requirements, and uniform methods for measurement of emissions.

The NGER requires yearly reporting of GHG emissions if individual facilities, and or total corporate emissions exceed the threshold values in Table 1.

Table 11 *NGER emissions reporting thresholds.*

CATEGORY	FACILITY THRESHOLD	CORPORATE THRESHOLD
Scope 1 & 2 GHG emissions	25,000 t CO_2-e/year	50,000 t CO_2-e/year
Energy consumption	100,000 GJ/year	200,000 GJ/year
Energy production	100,000 GJ/year	200,000 GJ/year

GWP's estimated annual GHG emissions during the first full year of operations are set out in Table 12.

***Table 12** Estimated GWP Stage 1A+ Scope 1, 2 & 3 GHG emissions (tonnes).*

SCOPE 1			
SOURCE	ONE OFF EMISSIONS	ANNUAL EMISSIONS	SPECIFIC EMISSION
UNITS	t CO_2-e	t CO_2-e	t CO_2-e/t PRODUCT
Stationary combustion – gas		12153	0.122
Stationary combustion – diesel		2266	0.023
Transport combustion - diesel		404	0.004
Vegetation clearing	3240		0.000
Amortized once off carbon emissions		109	0.001
Total	3240	14932	0.149

SCOPE 2			
SOURCE	ONE OFF EMISSIONS	ANNUAL EMISSIONS	SPECIFIC EMISSION
UNITS	t CO_2-e	t CO_2-e	t CO_2-e/t PRODUCT
Land fill - yearly emissions		389	0.004
Total		389	0.004

SCOPE 3			
SOURCE	ONE OFF EMISSIONS	ANNUAL EMISSIONS	SPECIFIC EMISSION
UNITS	t CO_2-e	t CO_2-e	t CO_2-e/t PRODUCT
Freight product to port		10157	0.102
Sea freight to Europe		7137	0.071
Employee		238	0.002
Regular freight to site		1	0.000
Regular waste freight from site		27	0.000
Landfill emissions		20	0.000
Total		17580	0.176

Although annual reporting under the NGER is not required, given GHG emissions are below NGER's Emissions Reporting Thresholds, Andromeda commits to reporting both Corporate and GWP actual Scope 1 & 2 GHG emissions as part of its annual reporting requirements following the commencement of planned construction.

As shown in Table 12, the largest contributor to carbon emissions is due to gas being used to generate electricity to power processing operations and heat to dry processed kaolin product.

In determining how to generate power and heat for GWP, an analysis conducted by engineering consultants, ammjohn PE Pty Ltd (ammjohn).

The analysis evaluated several options which determined the most suitable option is through using micro-turbines to generate power and heat, with recovery of exhaust heat for use in the drying process.

Financial modelling of the options above showed that the generation of electricity with gas fired turbines and the reheating of exhaust with gas fired burners for the purpose of drying processed product, delivered the lowest net present cost option.

Mining approach and rehabilitation

Andromeda is committed to operating in a safe and sustainable manner.

Mining at GWP is planned to be undertaken utilising conventional open cut methods using open pit mining equipment for load and haul.

No tailings storage facilities will be required as environmental rehabilitation will be undertaken progressively, as mining operations are completed in the various pit stages.

Topsoil and other overburden material is planned to be placed into an out of pit adjacent landform will be contoured and revegetated. When sufficient capacity is available in the mined-out sections of the pit, overburden will be placed directly into the pit void.

A detailed progressive rehabilitation plan was included in the Program for Environment Protection and Rehabilitation (PEPR), which was approved by South Australia's Department for Energy and Mining in March 2023.

Water management

Water is a valuable resource, particularly in the Eyre Peninsula. Consequently, Andromeda aims to have a high level of water stewardship to care for this vital resource.

To minimise the impact on local water resources, over 90% of water used is planned to be recycled, through the installation of a reverse osmosis system to recycle processing water on site.

The Company has continued to regularly engage with SA Water regarding its water requirements.

The Company is confident it will have access to sufficient water resources, Andromeda fully supports the South Australian Government's Water Security Response Plan.

SOCIAL

To fulfil our corporate aspiration to be considered as a supplier, partner and employer of choice, Andromeda is committed to effective, ongoing, and transparent consultation with all stakeholders, whether directly or indirectly.

This includes the full range of stakeholder groups, including:

Stakeholder engagement

Customers	Shareholders	First Nations
Government	Employees	Strategic partners
Investors	Landowners	Regulators
Contractors	Suppliers	Debt providers
Local businesses	Local councils	
Credit providers	Community	Industry bodies

Andromeda is committed to building enduring relationships across all of its stakeholder groups, through mutual respect, active partnership, and a long-term commitment.

Our approach to engaging with stakeholders is outlined as follows:

INFORM: Provide balanced and objective information to assist understanding of issues, alternatives, opportunities, and solutions to those stakeholders who prefer information only.

CONSULT: Obtain stakeholder feedback on issues, alternatives, opportunities, and solutions, with those stakeholders who want their opinions heard.

INVOLVE: Engagement with stakeholders who may have a higher level of expertise or insight on an issue and want to provide feedback, alternatives, opportunities, and solutions.

COLLABORATE: A higher level of engagement, which establishes partnerships with stakeholders to develop alternatives and the identification of preferred solutions.

EMPOWER: The highest level of community decision making, where decisions of the public are implemented.

Figure 12, sourced from DEM Guideline MG31, encapsulates the International Association of Public Participation's (**IAP2**) spectrum of public participation.

Additionally, the Company has also committed to ensuring its engagement with stakeholders adheres to the six principles of engagement, as set out by the South Australian government's "Better Together" framework (SA Government 2020), as follows:

We know why we are engaging, and we communicate this clearly.

1. We know who to engage.
2. We know the background and history.
3. We begin early.
4. We are genuine.
5. We are creative, relevant and engaging.

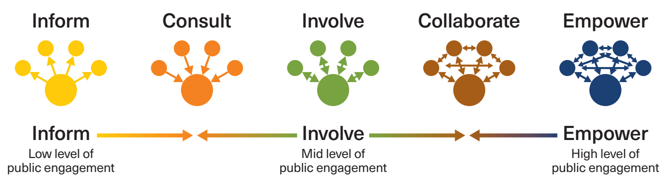


Figure 12 *Spectrum of engagement (Source: DEM Guideline MG31).*

COMMUNICATION APPROACHES

A suite of communication approaches, tools and activities have been implemented to effectively engage with stakeholders (Table 13). The primary goals for these communication tools are to:

- Identify community attitudes and expectations.
- Provide various mechanisms for dissemination of information to the community.
- Gather feedback from the community.
- Register and document community feedback, concerns, or expectations from members of the community.
- Analyse and promptly respond to community feedback or concerns.
- Engagement with stakeholders during all the various phases of The Project is critical. These phases have been identified as:
  - Early development (exploration) phase
  - Feasibility including Mining Proposal
  - PEPR development and approval
  - Construction and commissioning
  - Operations
  - Decommissioning.

STAKEHOLDER IDENTIFICATION AND ENGAGEMENT

Stakeholders are noted as all those persons (individuals or groups) who have an interest in Andromeda, can have an influence on, or can be influenced by, it or its businesses.

Stakeholder identification and analysis was originally undertaken during the development of the Community Engagement Plan and completed to provide the basis for consultation on The Project. The stakeholder mapping process for that phase of The Project lifecycle identified 14 stakeholder groups as having an interest in or influence on The Project.

Stakeholder identification and groupings have been reviewed periodically. No additional stakeholder groups have become apparent during the development of the PEPR or from community drop-in days and focused stakeholder meetings.

These meetings included meetings with First Nations and other Indigenous groups. Meetings involved discussions on business and employment opportunities during the planning and development stages of The Project and cultural heritage. A draft Cultural Heritage Management Plan was also provided to Wirangu No 2 Native Title Claimant Group in May 2022 and again in 2023.

Table 13 *Communication approaches, tools and activities.*

APPROACH	PURPOSE AND APPLICATION
Frequently asked questions (**FAQ**)	Summary of responses available online and at community meetings in response to questions raised. The responses prepared by members of Andromeda's team and its sub-contractors provide a clear reference and ensure consistency of information and message.
Face-to-face meetings	Provides an opportunity for all stakeholders to engage and discuss specific issues. Face to face meetings are an opportunity to build relationships based on trust, honest and open communication.
Telephone	Primary form of contact with stakeholders to respond to general enquiries and provide Project information.
Community meetings Briefings	An opportunity to present publicly precise and consistent Project information to interested stakeholders. Typically, there is a set agenda which can address specific areas of interest. Also used when significant information needs to be communicated to a wide section of the community and feedback, views or opinions are sought.
Community drop-in days	An opportunity for members of the community and interested persons to engage with a wide range of information of The Project and engage with team members to ask questions.
Fact sheet Posters	Provide landowners and interested stakeholders with information about specific stages of The Project, areas of interest, Project plans and status. Designed to ensure the messages being distributed to the community and stakeholders are consistent and based on fact.
Information sheet	Provide progress updates on The Project to the wider community and advertise upcoming events or milestones.
Advertisement	Used to advertise forthcoming community meetings or events.
Website	To communicate progress updates on The Project, achievements and Project milestones using the Andromeda website (*www.andromet.com.au*).
Email Text messages Letters	The Project team will communicate with stakeholders directly, responding to specific queries or matters which are uniquely relevant to specific stakeholders.

ENVIRONMENTAL POLICY

The aim of Andromeda's Environmental Policy is to protect and conserve the existing environment within the Project and its surrounds, by minimising adverse environmental impacts resulting directly from the mine and enhancing the environment wherever possible.

Andromeda works in conjunction with its employees, contractors and service providers to promote an environmentally aware culture that:

- understands and is committed to the Environmental Policy
- is committed to a high level of environmental standards in all areas of the mine
- is inducted in, aware of, and committed to the individual environmental management plans that apply to the mine
- considers the environmental impact of all business decisions before conducting potentially impactful activities.

For its part, management will:

- meet or exceed all relevant environmental laws, regulations and approval conditions
- identify, monitor and manage environmental aspects of Andromeda's business to maximise benefits and minimise adverse impacts, including pollution prevention
- strive for excellence in environmental performance through setting goals in consultation with stakeholders
- improve performance by undertaking appropriate environmental research and development, preferably utilising a partnership approach
- ensure Andromeda's environmental systems and procedures are appropriate to the nature and scale of Project activities and are fully integrated into the business
- train and support employees and contractors to ensure Andromeda has the necessary skills and technology to meet or exceed our environmental performance expectations
- develop, implement and continually improve work practices that enable Andromeda to identify, assess and manage environmental risks and opportunities
- communicate, engage and build trust with communities, regulators and other stakeholders on Andromeda's environmental performance
- publicly report environmental performance on a regular basis
- ensure that all employees, contractors and suppliers of goods and services that enter Company-managed sites are aware of the Environmental Policy and their obligations under it
- provide adequate resources to implement and regularly review the Environmental Policy whilst taking into consideration evolving community expectations, technology, management practices, scientific knowledge and business structure.

Andromeda commits to actively evaluating and reviewing its performance against these commitments to ensure both compliance and success.

COMPLIANCE

Andromeda is committed to ensuring compliance with environmental laws and minimising the environmental impacts of its exploration and operation of the GWP. No breaches have occurred or have been notified to any Government agencies during the year ending 30 June 2024.

OUR PURPOSE AND VALUES

Ecological and economic sustainability is the central driving force behind Andromeda's purpose – sitting across all three business pillars. These are to grow industrial minerals, harvest critical metals sustainably and advance innovation through nanotechnologies.

This purpose is to enrich the lives of people by improving the environment, creating prosperity for the planet, our stakeholders, the communities we work within.

Our vision is to lead the world in the sustainable extraction and supply of superior quality industrial minerals and advancement of nanotechnologies.

Our mission is to mine and process industrial minerals for supply to our global customer base by leveraging our unique natural resources and intellectual property.

We will deliver on our vision and mission by designing our operations with the tenet of circular economy in mind – these are to eliminate waste production, circulate materials, and regenerate natural systems.

These tenets along with the careful selection of voluntary and mandatory reporting frameworks, Andromeda will now, moving forward, report on all material and non-material risks and opportunities arising from our business practices to demonstrate our commitment to ESG and sustainability.

OUR CORE VALUES

All staff at Andromeda are responsible for upholding and living out our values. It is through this alignment and commitment that will enable our Company to provide value to our shareholders and broader stakeholders.

Integrity We strive to instil every decision with honesty and respect for all stakeholders, including colleagues, customers, and the communities we live and work in.

Teamwork We are committed to our team environment where we embrace courage, perseverance, diversity, and inclusion.

Every employee's contribution is valued. With the strength of our people, we can achieve more in a team, than alone.

Innovation Through innovation we encourage our people to use their initiative to generate new ideas, seek continuous improvement, and constantly strive to exceed expectations.

Quality Quality is the strength of our business which will drive long-term success. We take pride in providing our customers and stakeholders with outstanding and consistent quality and service.

The safety and wellbeing of our employees and our communities is our first priority.

PEOPLE & CULTURE

Gender and diversity

Andromeda is committed to broadening workplace diversity to support enhanced decision making and better business outcomes. In FY24 we achieved 20% female representation at all levels across the workforce.

The results show that Andromeda is on par with industry statistics[19] overall.

For FY24 the Board has adopted an ambitious target of 33% female employees participation across all levels of the Company.

The measurable objectives for the Company in FY24, including targets and achievement status, are represented in the following table.

Table 14

	FY24 Measurable objectives on diversity targets	FY24 Achievement as at 30 June 2022
Board		25%
Executives[1]	At least 33% female members	25%
All other employees across workforce[2]		24%

1 Excludes Executive Directors.
2 Excludes Directors and Senior management.

19 According to the Workplace Gender Equality Agency (WEGA).

Indigenous peoples' policy
Andromeda recognises that its exploration and operations are conducted on land which was or is traditionally under the custodianship of Aboriginal and Torres Strait Islander peoples. Andromeda acknowledges the customs, traditions and language of Australia's Indigenous Peoples and is committed to working with them to identify, protect and conserve evidence of the ancient and continuing occupation of Aboriginal and Torres Strait Islanders in Australia.

The Indigenous Peoples Policy outlines Andromeda's approach to fostering trusting, respectful and cooperative relationships with Aboriginal and Torres Strait Islander peoples, and promotes listening, communicating and negotiating with Indigenous peoples with respect, having regard for diverse views and perspectives. The policy also outlines minimum requirements in regard to providing cultural awareness training, Indigenous procurement and for the Board to consider opportunities for mutual benefit.

Health and safety policy
The Health and Safety Policy defines Andromeda's commitment to providing a healthy and safe workplace whilst striving to achieve an injury free work environment for all personnel. The policy applies to all employees and contractors and requires all to act in accordance with Andromeda's policies and procedures. The Health and Safety Policy outlines responsibilities and minimum requirements in regard to work activities, the HSEC Management System, safe working environments and outlines Andromeda's Duty of Care in regard to the workplace.

Community engagement policy
Andromeda is committed to engaging effectively with the community and stakeholders to strengthen relationships and facilitate transparent decision making.

Additionally, Andromeda is committed to employing local, engaging with local businesses and purchases local products and services wherever possible.

These commitments aim to ensure that all projects explore and deliver effective community engagement activities which are consistent, respectful, planned, coordinated, accessible and inclusive.

Andromeda will aim to identify community and stakeholder interests, issues and concerns early, and to address these matters during exploration, project development, approvals process and operation.

Resources and Reserves

as at 30 June 2024

Andromeda's Mineral Resource and Ore Reserve estimates as at 30 June 2023 and 30 June 2024 are tabled below.

The Mineral Resource estimates are reported inclusive of Ore Reserve estimates. The totals and average of some reports may appear inconsistent with the parts, but this is due to rounding of values to levels of reporting precision commensurate with the confidence in the respective estimates.

The statements for the 30 June 2024 estimates by the Competent Person, as defined under the 2012 Edition of the 'Australasian Code for reporting Exploration Results, Mineral Resources and Ore Reserves' (JORC Code), are included on page 37 of this Annual Report.

Andromeda's public reporting governance for Mineral Resources and Ore Reserves estimates includes a chain of assurance measures. Andromeda ensures that the Competent Persons responsible for public reporting:

- are current members of a professional organisation that is recognised in the JORC Code framework;
- have sufficient mining industry experience that is relevant to the style of mineralisation and reporting activity, to be considered a Competent Person as defined in the JORC Code;
- have provided Andromeda with a written sign-off on the results and estimates that are reported, stating that the report agrees with supporting documentation regarding the results or estimates prepared by each Competent Person; and
- have prepared or evaluated supporting documentation for results and estimates to a level consistent with normal industry practices – which for JORC Code 2012 resources includes Table 1 Checklists for any results and/or estimates reported.

The following tables set out the current Resource and Reserve position for the Company.

Table of Resources – Clay, whole rock

CLAY, WHOLE ROCK		MEASURED RESOURCE				INDICATED RESOURCE				INFERRED RESOURCE				TOTAL RESOURCES			
2023	ANDROMEDA INTEREST (%)	TONNES (Mt)	RECOVERY <45µm FRACTION (%)	KAOLINITE (%)	HALLOYSITE (%)	TONNES (Mt)	RECOVERY <45µm FRACTION	KAOLINITE (%)	HALLOYSITE (%)	TONNES (Mt)	RECOVERY <45µm FRACTION (%)	KAOLINITE (%)	HALLOYSITE (%)	TONNES (Mt)	RECOVERY <45µm FRACTION (%)	KAOLINITE (%)	HALLOYSITE (%)
Great White[1,2,3]	100	5.7	50.2	39.5	6.9	14.2	51.1	42	5.0	14.7	49.3	40.3	4.9	34.6	50.2	40.9	5.3
Hammerhead[1,3,4]	100	-	-	-	-	-	-	-	-	51.5	52.6	42.7	6.5	51.5	52.6	42.7	6.5
Tiger[5]	100	-	-	-	-	12.1	59.9	56.7	-	-	-	-	-	12.1	59.9	56.7	-
Mount Hope[1,3,6]	100	-	-	-	-	-	-	-	-	18.0	41.5	33.8	1.4	18.0	41.5	33.8	1.4
Total (100%)[1]		5.7	50.2	39.5	6.9	26.3	55.1	48.8	2.7	84.2	49.7	40.4	5.1	116.2	50.9	42.2	4.7
Total 2023 (Andromeda share)[1]		5.7	50.2	39.5	6.9	26.3	55.1	48.8	2.7	67.7	49.1	39.9	4.9	116.2	50.9	42.2	4.7

2024	ANDROMEDA INTEREST (%)	TONNES (Mt)	RECOVERY <45µm FRACTION (%)	KAOLINITE (%)	HALLOYSITE (%)	TONNES (Mt)	RECOVERY <45µm FRACTION (%)	KAOLINITE (%)	HALLOYSITE (%)	TONNES (Mt)	RECOVERY <45µm FRACTION (%)	KAOLINITE (%)	HALLOYSITE (%)	TONNES (Mt)	RECOVERY <45µm FRACTION (%)	KAOLINITE (%)	HALLOYSITE (%)
Great White[1,2,3]	100	5.7	50.2	39.5	6.9	14.2	51.1	42	5.0	14.7	49.3	40.3	4.9	34.6	50.2	40.9	5.3
Hammerhead[1,3,4]	100	-	-	-	-	-	-	-	-	51.5	52.6	42.7	6.5	51.5	52.6	42.7	6.5
Tiger[5]	100	-	-	-	-	12.1	59.9	56.7	-	-	-	-	-	12.1	59.9	56.7	-
Chairlift[7]	0	-	-	-	-	-	-	-	-	53.5	50.4	46.0	-	53.5	50.4	46.0	-
Mount Hope[1,3,6]	100	-	-	-	-	-	-	-	-	18.0	41.5	33.8	1.4	18.0	41.5	33.8	1.4
Total (100%)[1]		5.7	50.2	39.5	6.9	26.3	55.1	48.8	2.7	137.7	49.9	42.6	3.1	169.7	50.8	43.4	3.2
Total 2024 (Andromeda share)[1]		5.7	50.2	39.5	6.9	26.3	55.1	48.8	2.7	84.2	49.7	40.4	5.1	116.2	50.9	42.2	4.7

Table of Resources – Clay <45µm

CLAY <45µm		MEASURED RESOURCE				INDICATED RESOURCE				INFERRED RESOURCE				TOTAL RESOURCES			
2023	ANDROMEDA INTEREST (%)	TONNES (Mt)	BRIGHTNESS (R47)	KAOLINITE (%)	HALLOYSITE (%)	TONNES (Mt)	BRIGHTNESS (R47)	KAOLINITE (%)	HALLOYSITE (%)	TONNES (Mt)	BRIGHTNESS (R47)	KAOLINITE (%)	HALLOYSITE (%)	TONNES (Mt)	BRIGHTNESS (R47)	KAOLINITE (%)	HALLOYSITE (%)
Great White[1,2,3]	100	2.9	83.9	78.8	13.8	7.3	82.8	82.3	9.9	7.2	83.3	81.7	9.9	17.4	83.2	81.5	10.5
Hammerhead[1,3,4]	100	-	-	-	-	-	-	-	-	27.1	82.2	81.0	12.3	27.1	82.2	81.0	12.3
Tiger[5]	100	-	-	-	-	7.2	83.1	94.7	-	-	-	-	-	7.2	83.1	94.7	-
Mount Hope[1,3,6]	100	-	-	-	-	-	-	-	-	7.5	82.2	81.4	3.3	7.5	82.2	81.4	3.3
Total (100%)[1]		2.9	83.9	78.8	13.8	14.5	82.9	88.5	5.0	41.8	82.4	81.2	10.3	59.2	82.6	82.9	9.1
Total 2023 (Andromeda share)[1]		2.9	83.9	78.8	13.8	14.5	82.9	88.5	5.0	41.8	82.4	81.3	9.9	59.2	82.6	82.9	9.1

2024	ANDROMEDA INTEREST (%)	TONNES (Mt)	BRIGHTNESS (R47)	KAOLINITE (%)	HALLOYSITE (%)	TONNES (Mt)	BRIGHTNESS (R47)	KAOLINITE (%)	HALLOYSITE (%)	TONNES (Mt)	BRIGHTNESS (R47)	KAOLINITE (%)	HALLOYSITE (%)	TONNES (Mt)	BRIGHTNESS (R47)	KAOLINITE (%)	HALLOYSITE (%)
Great White[1,2,3]	100	2.9	83.9	78.8	13.8	7.3	82.8	82.3	9.9	7.2	83.3	81.7	9.9	17.4	83.2	81.5	10.5
Hammerhead[1,3,4]	100									27.1	82.2	81.0	12.3	27.1	82.2	81.0	12.3
Tiger[5]	100					7.2	83.1	94.7						7.2	83.1	94.7	
Chairlift[7]										26.9	81.9	91.0		26.9	81.9	91.0	
Mount Hope[1,3,6]	100									7.5	82.2	81.4	3.3	7.5	82.2	81.4	3.3
Total (100%)[1]		2.9	83.9	78.8	13.8	14.5	82.9	88.5	5.0	68.7	82.2	85	6.2	86.1	82.3	85.4	6.3
Total 2024 (Andromeda share)[1]		2.9	83.9	78.8	13.8	14.5	82.9	88.5	5.0	41.8	82.4	81.2	10.3	59.2	82.4	82.9	9.1

Table of Resources – Clay <45µm continued

CLAY < 45µm (CONT.)		MEASURED RESOURCE				INDICATED RESOURCE				INFERRED RESOURCE				TOTAL RESOURCES			
2023	ANDROMEDA INTEREST (%)	TONNES (MT)	Al_2O_3 (%)	Fe_2O_3 (%)	TiO_2 (%)	TONNES (MT)	Al_2O_3 (%)	Fe_2O_3 (%)	TiO_2 (%)	TONNES (MT)	Al_2O_3 (%)	Fe_2O_3 (%)	TiO_2 (%)	TONNES (MT)	Al_2O_3 (%)	Fe_2O_3 (%)	TiO_2 (%)
Great White[1,2,3]	100	2.9	36.7	0.52	0.32	7.3	36.6	0.51	0.5	7.2	36.4	0.51	0.45	17.4	36.5	0.51	0.45
Hammerhead[1,3,4]	100	-	-	-	-	-	-	-	-	27.1	37.0	0.63	0.71	27.1	37.0	0.63	0.71
Tiger[5]	100	-	-	-	-	7.2	37.2	0.81	0.61	-	-	-	-	7.2	37.2	0.81	0.61
Mount Hope[1,3,6]	100	-	-	-	-	-	-	-	-	7.5	35.3	0.51	0.62	7.5	35.3	0.51	0.62
Total (100%)[1]		2.9	36.7	0.52	0.32	14.5	36.9	0.70	0.6	41.8	36.6	0.60	0.7	59.2	36.7	0.60	0.60
Total 2023 (Andromeda share)[1]		2.9	36.7	0.52	0.32	14.5	36.9	0.70	0.6	41.8	36.5	0.60	0.7	59.2	36.7	0.60	0.60

2024	ANDROMEDA INTEREST (%)	TONNES (MT)	Al_2O_3 (%)	Fe_2O_3 (%)	TiO_2 (%)	TONNES (MT)	Al_2O_3 (%)	Fe_2O_3 (%)	TiO_2 (%)	TONNES (MT)	Al_2O_3 (%)	Fe_2O_3 (%)	TiO_2 (%)	TONNES (MT)	Al_2O_3 (%)	Fe_2O_3 (%)	TiO_2 (%)
Great White[1,2,3]	100	2.9	36.7	0.52	0.32	7.3	36.6	0.51	0.5	7.2	36.4	0.51	0.45	17.4	36.5	0.51	0.45
Hammerhead[1,3,4]	100	-	-	-	-	-	-	-	-	27.1	37.0	0.63	0.71	27.1	37.0	0.63	0.71
Tiger[5]	100	-	-	-	-	7.2	37.2	0.81	0.61	-	-	-	-	7.2	37.2	0.81	0.61
Chairlift[7]		-	-	-	-	-	-	-	-	26.9	36.7	0.62	0.18	26.9	36.7	0.62	0.18
Mount Hope[1,3,6]	100	-	-	-	-	-	-	-	-	7.5	35.3	0.51	0.62	7.5	35.3	0.51	0.62
Total (100%)[1]		2.9	36.7	0.52	0.32	14.5	36.9	0.70	0.6	68.7	36.6	0.60	0.47	86.1	36.7	0.61	0.48
Total 2024 (Andromeda share)[1]		2.9	36.7	0.52	0.32	14.5	36.9	0.70	0.6	41.8	36.6	0.59	0.65	59.2	36.7	0.60	0.61

Table of Resources – Gold

GOLD		INDICATED RESOURCE			INFERRED RESOURCE			TOTAL RESOURCES		
2023	ANDROMEDA INTEREST (%)	TONNES (Mt)	Au (g/t)	Au (oz)	TONNES (Mt)	Au (g/t)	Au (oz)	TONNES (mt)	Au (g/t)	Au (oz)
Barns[1,9,10]	25	0.44	1.3	18,000	2.19	1.6	116,000	2.63	1.5	134,000
Baggy Green[1,9,10]	25	-	-	-	2.12	1.4	96,000	2.12	1.4	96,000
Clarke[1,8,9]	25	-	-	-	0.73	1.4	33,000	0.73	1.4	33,000
White Tank[1,9,10]	25	-	-	-	0.28	1.5	16,000	0.28	1.5	16,000
Total (100%)[1]		0.44	1.3	18,000	5.37	1.5	261,000	5.81	1.5	279,000
Total 2023 (Andromeda share)[1]		0.11	1.3	4,000	1.34	1.5	65,000	1.45	1.5	69,000

2024	ANDROMEDA INTEREST (%)	TONNES (Mt)	Au (g/t)	Au (oz)	TONNES (Mt)	Au (g/t)	Au (oz)	TONNES (mt)	Au (g/t)	Au (oz)
Barns[1,8,9]	0	100% of Wudinna gold resources sold to Cobra[12]								
Baggy Green[1,8,9]	0									
Clarke[1,8,9]	0									
White Tank[1,8,9]	0									
Total (100%)[1]										
Total 2024 (Andromeda share)[1]										

Table of Resources – Rare Earth Oxides

RARE EARTH OXIDES		INFERRED RESOURCE					TOTAL RESOURCES				
2023	ANDROMEDA INTEREST (%)	TONNES (Mt)	TREO (ppm)	MREO (ppm)	LREO (ppm)	HREO (ppm)	TONNES (Mt)	TREO (ppm)	MREO (ppm)	LREO (ppm)	HREO (ppm)
Baggy Green[1,9,11]	25	15.1	652	142	512	140	15.1	652	142	511	141
Clarke[1,9,11]	25	26.5	725	175	571	154	26.5	725	175	571	154
Total (100%)	25	41.6	699	163	549	149	41.6	699	163	549	149
Total 2023 (Andromeda share)		10.4	699	163	549	149	10.4	699	163	549	149

2023	ANDROMEDA INTEREST (%)	TONNES (Mt)	TREO (ppm)	MREO (ppm)	LREO (ppm)	HREO (ppm)	TONNES (Mt)	TREO (ppm)	MREO (ppm)	LREO (ppm)	HREO (ppm)
Baggy Green[1,9,11]	0	100% of Wudinna REO resources sold to Cobra[12]									
Clarke[1,9,11]	0										
Total (100%)	0										
Total 2024 (Andromeda share)[1]											

REE – Rare earth elements
REO – Rare earth oxides
MREO – Magnet rare earth oxides (dysprosium + terbium + praseodymium, neodymium)
TREO – Total rare earth oxides plus yttrium
TREO-Ce – Total rare earth oxides plus yttrium and minus cerium

Table of Resources – Rare Earth Oxides (continued)

RARE EARTH OXIDES		INFERRED RESOURCE					TOTAL RESOURCES				
2023	ANDROMEDA INTEREST (%)	TONNES (Mt)	Pr_6O_{11} (ppm)	Nd_2O_3 (ppm)	Dy_2O_3 (ppm)	Tb_4O_7 (ppm)	TONNES (Mt)	Pr_6O_{11} (ppm)	Nd_2O_3 (ppm)	Dy_2O_3 (ppm)	Tb_4O_7 (ppm)
Baggy Green[1,9,11]	25	15.1	29	97	14	2	15.1	29	97	14	2
Clarke[1,9,11]	25	26.5	35	122	16	3	26.5	35	122	16	3
Total (100%)	25	41.6	33	113	15	3	41.6	33	113	15	3
Total 2023 (Andromeda share)[1]		10.4	33	113	15	3	10.4	33	113	15	3

2024	ANDROMEDA INTEREST (%)	TONNES (Mt)	Pr_6O_{11} (ppm)	Nd_2O_3 (ppm)	Dy_2O_3 (ppm)	Tb_4O_7 (ppm)	TONNES (Mt)	Pr_6O_{11} (ppm)	Nd_2O_3 (ppm)	Dy_2O_3 (ppm)	Tb_4O_7 (ppm)
Baggy Green[1,9,11]	0	100% of Wudinna REO resources sold to Cobra[12]									
Clarke[1,9,11]	0										
Total (100%)[1]	0										
Total 2024 (Andromeda share)[1]											

Table of Resources – Copper (in situ recovery)

COPPER (IN SITU RECOVERY)		INFERRED RESOURCE					TOTAL RESOURCES				
2023	ANDROMEDA INTEREST (%)	TONNES (Mt)	Cu (%)	Cu (Kt)	Au (g/t)	Au (Koz)	TONNES (Mt)	Cu (%)	Cu (Kt)	Au (g/t)	Au (Koz)
Wombat[1,12,13,14]	100	46.5	0.17	80	-	-	46.5	0.17	80	-	-
Bruce[1,12,13,14]	100	11.8	0.19	22	-	-	11.8	0.19	22	-	-
Larwood[1,12,13,14]	100	7.8	0.15	12	0.04	10	7.8	0.15	12	0.04	10
Total (100%)[1]		66.1	0.17	114	-	10	66.1	0.17	114	-	10
Total 2023 (Andromeda share)[1]		66.1	0.17	114	-	10	66.1	0.17	114	-	10

2024	ANDROMEDA INTEREST (%)	TONNES (Mt)	Cu (%)	Cu (Kt)	Au (g/t)	Au (Koz)	TONNES (Mt)	Cu (%)	Cu (Kt)	Au (g/t)	Au (Koz)
Wombat[1,12,13,14]	100	100% of Moonta copper and gold resources sold to ECR[16]									
Bruce[1,12,13,14]	100										
Larwood[1,12,13,14]	100										
Total (100%)[1]											
Total 2024 (Andromeda share)[1]											

Table of Reserves – Great White Deposit

		PROVED RESERVE						
2023	ANDROMEDA INTEREST (%)	TONNES (Mt)	PRM YIELD (%)	CRM YIELD (%)	TOTAL YIELD (%)	HALLOYSITE (%)	BRIGHTNESS (R457)	Fe_2O_3 (%)
Great White PRM[1,17,18]	100	0.4	27	18	45	3	87	0.3
Great White CRM[1,17,18]	100	4.8	-	45	45	15	84	0.5
Total (100%)[1,17,18]		5.2	-	-	45	14	84	0.5
Total 2023 (Andromeda share)[1]		5.2	-	-	45	14	84	0.5

2024	ANDROMEDA INTEREST (%)	TONNES (Mt)	PRM YIELD (%)	CRM YIELD (%)	TOTAL YIELD (%)	HALLOYSITE (%)	BRIGHTNESS (R457)	Fe_2O_3 (%)
Great White PRM[1,17,18]	100	0.4	27	18	45	3	87	0.3
Great White CRM[1,17,18]	100	4.8	-	45	45	15	84	0.5
Total (100%)[1,17,18]		5.2	-	-	45	14	84	0.5
Total 2024 (Andromeda share)[1]		5.2	-	-	45	14	84	0.5

		PROBABLE RESERVE						
2023	ANDROMEDA INTEREST (%)	TONNES (Mt)	PRM YIELD (%)	CRM YIELD (%)	TOTAL YIELD (%)	HALLOYSITE (%)	BRIGHTNESS (R457)	Fe_2O_3 (%)
Great White PRM[1,17,18]	100	1.1	24	16	40	1	87	0.3
Great White CRM[1,17,18]	100	8.9	-	-	46	11	83	0.5
Total (100%)[1,17,18]		10.0	-	-	45	10	83	0.5
Total 2023 (Andromeda share)[1]		10.0	-	-	45	10	83	0.5

2024	ANDROMEDA INTEREST (%)	TONNES (Mt)	PRM YIELD (%)	CRM YIELD (%)	TOTAL YIELD (%)	HALLOYSITE (%)	BRIGHTNESS (R457)	Fe_2O_3 (%)
Great White PRM[1,17,18]	100	1.1	24	16	40	1	87	0.3
Great White CRM[1,17,18]	100	8.9	-	46	46	11	83	0.5
Total (100%)[1,17,18]		10.0	-	-	45	10	83	0.5
Total 2024 (Andromeda share)[1]		10.0	-	-	45	10	83	0.5

		TOTAL RESERVE						
2023	ANDROMEDA INTEREST (%)	TONNES (Mt)	PRM YIELD (%)	CRM YIELD (%)	TOTAL YIELD (%)	HALLOYSITE (%)	BRIGHTNESS (R457)	Fe_2O_3 (%)
Great White PRM[1,17,18]	100	1.5	25	17	41	2	87	0.3
Great White CRM[1,17,18]	100	13.7	-	46	46	12	83	0.5
Total (100%)[1,17,18]		15.1	-	-	46	11	84	0.5
Total 2023 (Andromeda share)[1]		15.1	-	-	46	11	84	0.5

2024	ANDROMEDA INTEREST (%)	TONNES (Mt)	PRM YIELD (%)	CRM YIELD (%)	TOTAL YIELD (%)	HALLOYSITE (%)	BRIGHTNESS (R457)	Fe_2O_3 (%)
Great White PRM[1,17,18]	100	1.5	25	17	41	2	87	0.3
Great White CRM[1,17,18]	100	13.7	-	46	46	12	83	0.5
Total (100%)[1,17,18]		15.1	-	-	46	11	84	0.5
Total 2024 (Andromeda share)[1]		15.1	-	-	46	11	84	0.5

1 *Figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.*
2 *ASX release dated 26 November 2020 "Updated mineral resource for the Great White Kaolin JV Deposit".*
3 *ISO brightness (R457) cut-off of at 75 in the <45μm size fraction.*
4 *ASX release dated 29 September 2020" New mineral resource estimate for Hammerhead Halloysite-Kaolin Deposit".*
5 *ASX release dated 23 March 2022 "Maiden Tiger Kaolin Resource and Regional Rare Earth Element Potential".*
6 *ASX release dated 11 August 2020 "New mineral resource for the Mount Hope Kaolin Project".*
7 *ASX release dated 16 November 2023 "Chairlift Kaolin Deposit Mineral Resource Estimate".*
8 *ASX release dated 8 May 2019 "Increased ounces in updated Wudinna Gold Project Mineral Resource".*
9 *Cobra Resources PLC LSE announcement released 7 September 2023, "Rare Earth and Gold Resource Upgrades".*
10 *The Wudinna Gold Project Mineral Resources estimates have been reported above a 0.5 g/t gold cut to reflect extraction by open pit mining.*
11 *REE Mineral Resource reported above a cut-off grade of 320 ppm TREO-CeO2 to reflect extraction by open pit mining.*
12 *ASX release dated 23 April 2024 "Completion of Sale of Interest in Wudinna Gold Project".*
13 *ASX release dated 15 August 2019 "Substantial initial copper resource – Moonta Project, inferred ISR copper resource of 114,000 tonnes contained copper".*
14 *Figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.*
15 *Environmental Copper Recovery Pty Ltd earning a 75% interest.*
16 *ASX release dated 24 January 2024 "Completion of Sale of Moonta Copper Gold Project".*
17 *2022 Ore Reserve used in Definitive Feasibility Study released in April 2022 (refer ADN ASX announcement dated 16 April 2022 titled "Definitive Feasibility Study and Updated Ore Reserve").*
18 *Ore Reserves have been reported from Measured and Indicated Resources only.*

Competent person statements

ALL RESOURCES

All Resources Information in that relates to all Mineral Resource Estimates are based on, and fairly represent, information and supporting documentation evaluated by Mr Eric Whittaker who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr Whittaker approves the Mineral Resource Estimates. 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 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 holds Performance Rights in the Company and is entitled to participate in Andromeda's employee incentive plan.

GREAT WHITE ORE RESERVES

The data in this report that relates to Mineral Reserve Estimates for the Great White Deposit is based on, and fairly represent, information and supporting documentation evaluated by Mr John Millbank who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr MIllbank approves the Mineral Reserve Estimates for the Great White Deposit. 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 report being used in the form and context in which it appears. Neither Mr Millbank, or any of the entities he directly controls, have any financial interests in Andromeda Metals Ltd or any of its subsidiaries.

Schedule of tenements

as at 30 June 2024

PROJECT	TENEMENT	TENEMENT NAME	AREA (km^2)	REGISTERED HOLDER OR APPLICANT	NATURE OF COMPANY'S INTEREST (%)
SOUTH AUSTRALIA					
Great White Kaolin Project	ML 6532	Great White	319 ha	Andromeda Industrial Minerals Pty Ltd[1]	AIM 100%
	MPL 163	Water Pipeline MPL	78 ha	Andromeda Industrial Minerals Pty Ltd	AIM 100%
	MPL 164	Access Road MPL	13 ha	Andromeda Industrial Minerals Pty Ltd	AIM 100%
	EL 6588	Tootla	372	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd[2]	AIM 75% GSK 25%
	EL 6202	Mt Hall	147	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd	AIM 75% GSK 25%
	EL 6426	Mt Cooper	648	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd	AIM 75% GSK 25%
Eyre Kaolin Project	EL 6663	Aspen	976	Peninsula Exploration Pty Ltd	AIM 0% Peninsula 100%
	EL 6664	Whistler	452	Peninsula Exploration Pty Ltd	AIM 0% Peninsula 100%
	EL 6665	Hotham	875	Peninsula Exploration Pty Ltd	AIM 0% Peninsula 100%
	EL 6666	Thredbo	496	Peninsula Exploration Pty Ltd	AIM 0% Peninsula 100%
Mt Hope Kaolin Project	EL 6286	Mt Hope	227	Andromeda Industrial Minerals NZ Pty Ltd[4]	100%
Wudinna Gold Joint Venture	EL 6317	Pinkawillinie	156	Peninsula Resources Pty Ltd[5,6]	PRL 0% LAM 100%
	EL 6131	Corrobinnie	1303	Peninsula Resources Pty Ltd	PRL 0% LAM 100%
	EL 6489	Wudinna Hill	42	Peninsula Resources Pty Ltd	PRL 0% LAM 100%
	EL 5953	Minnipa	184	Peninsula Resources Pty Ltd	PRL 0% LAM 100%
	EL 6001	Waddikee Rocks	147	Peninsula Resources Pty Ltd	PRL 0% LAM 100%
Moonta Copper Gold Project[4]	EL 5984	Moonta-Wallaroo	713	Peninsula Resources Pty Ltd[7]	100%
	EL 5984	Moonta Porphyry JV	106	Peninsula Resources Pty Ltd	90% – option to acquire 100% from AIC Mines Ltd

PROJECT	TENEMENT	TENEMENT NAME	AREA (km^2)	REGISTERED HOLDER OR APPLICANT	NATURE OF COMPANY'S INTEREST (%)
WESTERN AUSTRALIA					
Dundas Project	E 63/2089	Circle Valley	29	Mylo Gold Pty Ltd[8]	100%

1 *Andromeda Industrial Minerals Pty Ltd (AIM), (incorporated 9 August 2018) is a wholly owned subsidiary of Andromeda Metals Ltd.*

2 *Great Southern Kaolin Pty Ltd (GSK) is a wholly owned subsidiary of Andromeda Metals Ltd. On 26 July 2024, the 25% share held by GSK was to transferred to AIM, resulting in AIM's interest increasing to 100%.*

3 *Subsequent to the quarter, Andromeda Industrial Minerals Pty Ltd earned a 51% interest in the Eyre Kaolin Project under a farm in agreement with Peninsula Exploration Pty Ltd (Peninsula), in which it can earn a further 29% (for a total of 80%).*

4 *Andromeda Industrial Minerals NZ Pty Ltd is a wholly owned subsidiary of Andromeda Metals Ltd.*

5 *Peninsula Resources Pty Ltd (PRL), (incorporated 18 May 2007) is a wholly owned subsidiary of Andromeda Metals Ltd.*

6 *PRL remains the registered holder of these tenements whilst the subdivision or transfer is being effected – if subdivided PRL will retain some of the area of these tenements refer ADN ASX announcement dated 23 April 2024 titled Completion of Sale of Interest in Wudinna Gold Project.*

7 *PRL remains the registered holder of EL 5984 whilst the subdivision or transfer of this tenement is being effected – if subdivided PRL will retain some of the area of this tenement – refer to ADN ASX announcement dated 24 January 2024 titled Completion of Sale of Moonta Copper Gold Project.*

8 *Mylo Gold Pty Ltd (acquired 21 December 2017) is a wholly owned subsidiary of Andromeda Metals Ltd.*

Directors' report

DIRECTORS’ REPORT CONTENTS

The Directors present this Directors' Report and the attached annual financial report of Andromeda Metals Limited for the financial year ended 30 June 2024.

DIRECTORS AND KEY MANAGEMENT PERSONNEL

The names and details of the Directors and Key Management Personnel of the Company during the financial year are:

Sue-Ann Higgins
LLB (Hons), BA, GradDip Company Secretarial Practice, GradDip Applied Finance and Investment

(Appointed 21 February 2024)

Executive Chair

Sue-Ann is an experienced legal practitioner and company director, with diversified skills and global corporate experience, gained over 30 years of experience in executive and non-executive roles in the resources sector.

Her extensive experience covers strategy development and implementation; capital management; risk management; and human resources management.

Sue-Ann has management experience of major transactions, including due diligence, transaction and document negotiation, management of mergers and acquisitions, IPOs, asset sales and divestments, capital raisings and joint ventures.

Sue-Ann has held senior legal and commercial roles with various listed entities, including ARCO Coal Australia Inc, WMC Resources Ltd, Oxiana Limited, Citadel Resources Ltd and is currently an Executive Director of Metal Bank Limited (ASX:MBK).

Michael Wilkes
BEng(Hons), MBA, MAusIMM, MAICD

Independent Non-executive Director

Mick is an experienced mining executive and company director with more than 35 years of broad international mining experience coupled with a successful track record of leading the development and operation of greenfield mines.

Most recently in his executive career, Mick was the President and CEO of dual listed (ASX and TSX) OceanaGold Corporation (ASX: OCG) from 2011 to 2020 where he led the transformation from a single asset junior company to a multinational mid-tier producer with four operations across three countries.

In previous roles he was the Executive General Manager of Operations at OZ Minerals responsible for the development of the Prominent Hill copper/gold project in South Australia and General Manager of the Sepon gold/copper project for Oxiana based in Laos.

Mick is currently a Non-executive Chair of Kingston Resources Limited (ASX: KSN), been appointed as Non-executive Director of Genesis Minerals Ltd.

Austen Perrin
B. Econ. (Acc.), CA, GAICD

Independent Non-executive Director
Austen Perrin has had significant experience in developing capital management strategies and financing solutions to support corporate objectives including development of key infrastructure and transport projects and underground coal mines.

He has a breadth of experience gained in a variety of industries including transport and logistics, ports, road and rail infrastructure, coal, copper and gold mining, unconventional shale gas, mining services, oil, gas and water pipeline construction, general building construction and insurance.

Austen Perrin is currently a non-executive director with AJ Lucas Group Limited. Austen currently chairs the Audit and Risk Committee for AJ Lucas and previously for Round Oak Minerals Pty Limited.

He has been a Charted Accountant for over 35 years and is a graduate of the Australian Institute of Company Directors.

Sarah Clarke
LLB (Hons), BSc, Grad Cert (Applied Finance and Investment)

Acting CEO, General Counsel and Company Secretary.
Sarah Clarke brings over 18 years of experience as a lawyer working with ASX-listed energy and resources companies, with extensive knowledge of the industry and regulatory environment. She was most recently a Partner at Piper Alderman.

Her extensive transactions experience includes due diligence, transaction and document negotiation, management of mergers and acquisitions, IPOs, asset sales and divestments, capital raisings and joint ventures.

Sarah was an elected Councillor of the South Australian Chamber of Mines and Energy (SACOME) from 2018 to 2022, is well-connected in the industry and deeply understands the issues facing South Australian mining companies.

Sarah was previously named a "Leading" South Australian energy and resources lawyer in Doyle's guide. She was recommended for Natural resources (transactions & regulatory) in the Legal 500 Asia Pacific: Australia and recognised for Corporate Law by Best Lawyers Australia.

Joseph F Ranford
BEng (Mining), MBA, FAusIMM, GAICD,
Grad Dip (Business Management)

Operations Director

Joe Ranford is a mining engineer with 25 years' senior management experience across both domestic and international mining companies. Joe has significant experience bringing mining operations into production within sensitive communities and considerable knowledge of the South Australian mining approval process and stakeholder landscape.

Most recently, he held the role as Chief Operating Officer for Nordic Gold Inc, a Canadian based company which was the previous owner of the Laiva Gold Mine in Finland, where he re-established mining operations and brought the project back into production from care and maintenance.

Prior to his role at Nordic Gold Inc, Joe was Operations Manager for Terramin Australia Limited where he managed all operational and technical aspects of the Angas Zinc mine and championed the evaluation and approval processes for the Bird in Hand Gold Project.

Joe is focused on bringing the deposits of the Great White Kaolin Project on South Australia's Eyre Peninsula project into production. Growing up in the region, Joe has a genuine understanding and respect for the local community and wants to continue building partnerships based on creating shared value.

Pascal Alexander-Bossy
LLB BCom Postgrad (Hons) 1st Class

(Appointed 20 November 2023)

Chief Financial Officer

Pascal is an experienced commodity & mining finance professional with extensive international and Australian cross-commodity and cross-product experience.

Most recently he was Investment Director at Global Credit Investments. Prior to that, he was Head of Commodity Finance at the Amsterdam Trade Bank in The Netherlands and held mining and commodity finance roles at Macquarie Bank in both London and New York.

During that time he has developed and led global commodity debt and investment portfolios as both capital provider and capital employer.

Pascal holds a Bachelor's degree, majoring in Commerce and Law from The University of Queensland and completed a postgraduate Honours in Finance (1st Class).

DIRECTORS WHO RESIGNED DURING OR SINCE THE END OF THE FINANCIAL YEAR

James E Marsh

BSc (Hons), MAusIMM

Executive Director, Sales and Marketing

(Resigned as a Director 10 October 2023, Departed 17 November 2023)

James Marsh is a highly qualified kaolin specialist with more than 30 years' industrial minerals experience.

Melissa K Holzberger

LLM Resources Law (Distinction (Scotland), Dip. International Nuclear Law (Hons) (France), LLB (Adel), BA (Adel), Grad Dip Legal Practice, GAICD, FGIA

Independent Non-executive Director

(Resigned 2 February 2024)

Ms Holzberger is an experienced Independent Non-executive Director and mining lawyer with over 20 years' experience in the international energy and resources sector.

Bob Katsiouleris

BEng MBA

Managing Director and CEO

(Resigned 31 July 2024)

Bob has over 25 years combined operational engineering and commercial experience in industrial minerals with an emphasis on improving profitability from mine to market.

Subsequent to the end of financial year 2024:

Luke Anderson

BA(Acc) CA

Managing Director and CEO

(Resigned 11 September 2024)

Luke Anderson is a highly experienced industrial minerals & logistics executive, with over 30 years' experience with ASX-listed companies, both in Australia and internationally.

DIRECTORSHIPS OF OTHER LISTED COMPANIES

Directorships of other listed companies held by directors in the three years immediately before the end of the financial year are as follows:

NAME	COMPANY	PERIOD OF DIRECTORSHIP
S Higgins	Metal Bank Limited	From February 2020 to present
	Dacian Gold Limited	From May 2022 to November 2023
M Wilkes	Kingston Resources Limited	From May 2018 to present
	Matador Mining Limited	From July 2020 to May 2022
	Dacian Gold Limited	From September 2021 to September 2022
	Genesis Minerals Ltd	From October 2022
A Perrin	AJ Lucas Group Limited	From January 2020 to present

ATTENDANCE AT BOARD AND COMMITTEE MEETINGS

The number of Board meetings held during the reporting period and the number of meetings attended by each Director are as follows:

	BOARD MEETINGS	
DIRECTOR	ENTITLED TO ATTEND	ATTENDED
S Higgins	3	3
M Wilkes	11	11
A Perrin	11	11
B Katsiouleris	11	11
M K Holzberger	7	7
J Marsh	3	3

The number of Board committee meetings held during the reporting period and the number of committee meetings attended by committee members is as follows:

	AUDIT AND RISK COMMITTEE		REMUNERATION AND NOMINATION COMMITTEE		SUSTAINABILITY AND GOVERNANCE COMMITTEE	
	ENTITLED TO ATTEND	ATTENDED	ENTITLED TO ATTEND	ATTENDED	ENTITLED TO ATTEND	ATTENDED
S Higgins	2	2	-	-	-	-
M Wilkes	3	2	2	2	2	1
A Perrin	3	3	2	2	2	2
M K Holzberger	1	1	2	2	2	2

PRINCIPAL ACTIVITIES

The principal activity of the Company is the advancement of GWP through the development of production facilities for halloysite-kaolin products to meet increasing market demand.

OPERATING AND FINANCIAL REVIEW

(All $ are AUD unless otherwise stated)

Strategy

To achieve the goal of growing shareholder wealth, Andromeda's Directors have formulated a Company strategy comprising the following key elements:

- The Company's primary focus is on advancing the GWP through to a final investment decision for eventual development and production. The Directors continue to see a strong growing market for high quality kaolin products, underpinned by declines in global supply sources. The Company will seek opportunities to develop new products and/or processes that have the potential to enhance shareholder value.
- The Company will adhere to principles of good corporate governance, caring for its employees, conducting its operations in an environmentally sensitive manner, and maintaining respect for other stakeholders and for the communities in which it operates.
- The Company acknowledges the importance of committing to and establishing an integrated approach to Sustainability and consistent reporting on Environmental, Social and Governance (ESG) frameworks and factors. 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.

Financial results

Income for FY24 was $1,030,276, representing a 48.5% decrease from the $2,002,153 recorded during FY23.

The net result of operations for the year was a loss after income tax of $7,269,156, a 23.1% improvement from the loss of $9,461,246 for the prior financial year. This was driven by lower research and development expenses and administration charges.

The earnings per share for FY24 was a loss of 0.23 cents per share, reflecting a 23.2% improvement from the 0.30 loss per share during the prior period.

At 30 June 2024, the Company held cash and cash equivalents totalling $5,436,262, down from the $15,300,890 held the year prior.

The Great White Project (GWP)

During FY24, the Company continued moving towards making a final investment decision while progressively de-risking the Project and evaluating funding arrangements that best suit the long-term interests of the Company and its shareholders.

The Company conducted a comprehensive review of its commercial strategy which identified an enhanced product portfolio, targeting high value markets, was completed.

Following this review, in August 2023 the Company published an updated Definitive Feasibility Study (2023 DFS)[20], was completed. The 2023 DFS demonstrated that the development of GWP represents a pre-tax net present value (NPV8) of $1.01 billion over the 28-year life of mine. This was a 65% improvement compared to the previous 2022 DFS.

The four-stage approach to development outlined in the 2023 DFS showed average annual EBITDA of $130 million could be delivered, with an initial Stage 1A capital cost of $62.4 million and production of 55,000 wmt pa.

Together with the previously signed binding offtake agreement with Plantan Yamada Co Ltd for sales into the Japanese market, the following binding offtake agreements were signed during FY24:

- In October 2023, a Binding Offtake Agreement with Foshan Gaoming Xing-Yuan Machinery Co. Ltd, was signed for sales into the Chinese market; and,
- In January 2024, a Binding Sales and Distribution Agreement with IberoClays SLU, was signed for sales across Mediterranean markets.

At the time, this resulted in three (3) binding offtake agreements supporting funding discussions to support a final investment decision on Stage 1A.

In November 2023, a non-binding Heads of Agreement with Traxys Europe S.A (Traxys) was signed.

In anticipation of an agreement with Traxys being signed with the resultant increase in demand for product, the staged development of GWP was refined to bring forward Stage 1A+ and expand initial nominal production to 100,000 wmt pa.

A Bankable Feasibility Study (2024 BFS) for the expanded Stage 1A+ was completed to support debt financing discussions.

In March 2024, the land purchase agreements to acquire all the required freehold land from relevant landowners for the Project, completed.

The BFS is expected to underpin the Company's ability to secure a proportion of the funding required for GWP's development through debt.

20 Refer to 2023 DFS section on page 17, upon which the forecast financial information relates to an Ore Reserve Estimate that has been previously announced to ASX on 6 April 2022 titled Great White Kaolin Project – Definitive Feasibility Study and Updated Ore Reserve. Andromeda confirms that it is not aware of any new information or data that materially affects the information included in these market announcements (unless otherwise stated) and that all material assumptions and technical parameters underpinning the estimates and forecast financial information continue to apply and have not materially changed.

In addition, a review of the BFS by Behre Dolbear, the independent technical engineer for GWP, was completed for the benefit of potential lenders.

Subsequent to the period, in July 2024, this led to the signing of a Binding Offtake Agreement with Traxys, for sales across global markets.

Together with the previously signed binding offtake agreement with Plantan Yamada Co Ltd for sales into the Japanese market, this brings a total of four (4) binding offtake agreements supporting funding discussions and a final investment decision being made.

Following the finalisation of the Traxys agreement, all anticipated key elements are now complete and have been shared with potential debt financiers.

The Company is in discussions with multiple potential debt financiers, including Government funding bodies, banks, and private credit institutions.

In addition, Pareto Securities has been appointed to run a process seeking access to global bond markets (or markets for other debt instruments).

To support the Company's effort to secure cornerstone equity investment, Azure Capital has been appointed to run the equity funding process which is being run in parallel to the debt funding process.

Exploration and evaluation activities

During FY24, Andromeda's main focus has been to further progress GWP through:

- completion of the 2023 DFS and the 2024 BFS[21],
- obtaining the necessary mining approvals, and
- preparations and planning ahead of the expected commencement of construction activities.

Exploration and evaluation expenditure for the year was $4,835,139, a decrease of 35.7% on the $7,521,335 incurred during the prior financial year. Funds were predominantly directed towards advancing GWP and regional exploration surrounding GWP, targeting kaolin with properties complementary to those of the Great White Deposit.

SECURITIES ON ISSUE

The following securities were issued during the reporting period:

DATE	ISSUE	AMOUNT	DETAIL
28 July 2023	Performance Rights	(30,629)	Lapse of Performance Rights
9 November 2023	Unlisted Options	(7,500,000)	Lapse of Options
17 November 2023	Unlisted Options	(3,110,000)	Lapse of Options
	Performance Rights	(1,606,751)	Performance Rights
28 November 2023	Unlisted Options	(12,500,000)	Options expired
23 December 2023	Performance Rights	(14,199,331)	Options expired
3 February 2024	Ordinary Shares	262,500	Release of Ordinary Shares from voluntary escrow
18 March 2024	Performance Rights	(22,653,500)	Issuing of Performance Rights
30 June 2024	Performance Rights	(2,760,000)	Lapse of Performance Rights
Subsequent to the period:			
31 July 2024	Performance Rights	15,000,000	Issuing of Performance Rights
11 September 2024	Performance Rights	(15,000,000)	Forfeit of Performance Rights

Note: For more detailed information refer to Note 15 in the notes to the Financial Statements (page 92).

21 Refer to 2023 DFS section on page 17, upon which the forecast financial information relates to an Ore Reserve Estimate that has been previously announced to ASX on 6 April 2022 titled Great White Kaolin Project – Definitive Feasibility Study and Updated Ore Reserve. Andromeda confirms that it is not aware of any new information or data that materially affects the information included in these market announcements (unless otherwise stated) and that all material assumptions and technical parameters underpinning the estimates and forecast financial information continue to apply and have not materially changed.

Remuneration report (audited)

LETTER FROM THE REMUNERATION AND NOMINATION COMMITTEE CHAIR

Dear Shareholders,

On behalf of the Board, I present the Remuneration Report for Financial Year 2024.

The Company's Remuneration Report is designed to demonstrate the link between strategy, performance and remuneration outcomes for Key Management Personnel (KMP) and report on the remuneration arrangements for Non-executive Directors (NEDs). We recognize the importance of aligning remuneration with both the Company's performance and our financial realities. In a time where we must carefully manage our cash position, we have sought to balance the need to attract and retain key talent with a mindful approach to cost. Our focus remains on creating sustainable value for all shareholders, and we understand that this requires prudent financial management.

Our remuneration framework is based on three core principles that directly support our business strategy. First, we continue to structure remuneration with a focus on both short- and long-term incentives to ensure our employees remain aligned with shareholder interests, fostering an ownership mindset across the business. Secondly, while we benchmark against the market to remain competitive, we are increasingly conscious of the need to ensure every dollar is well-spent, especially in today's economic environment. Third, we maintain strong accountability for performance, linking rewards to the achievement of strategic objectives while adhering to the culture and risk parameters set by the Board. As a result, Shareholders will note that despite significant achievement, no STI has been awarded for 2024.

The Board takes its responsibility seriously in balancing the need for competitive remuneration with the need to safeguard our financial health, especially as we navigate the transition towards mining production. We value your continued support and remain committed to engaging with you throughout this process.

Thank you for your trust in us as we work towards delivering long-term value for all shareholders.

Yours sincerely,

Mick Wilkes
Independent Chair, Remuneration and Nomination Committee

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1.1 KEY MANAGEMENT PERSONNEL COVERED IN THIS REMUNERATION REPORT

The following Key Management Personnel (**KMP**) of the Company comprises the Non-executive Directors (**NEDs**) of the Company and the Executives listed below, who have significant influence over the Company's operating performance:

NAME	POSITION	TERM AS KMP
Directors		
Sue Ann Higgins	Executive Chair	Appointed 21 February 2024
Michael Wilkes	Independent Non-executive Chair	Full year
Melissa Holzberger	Independent Non-executive Director	Resigned 2 February 2024
Austen Perrin	Independent Non-executive Director	Full Year
Executive KMP[18]		
Bob Katsiouleris	Managing Director/CEO	Full year
Joseph Ranford	Chief Operating Officer (COO)	Full year
Pascal Alexander-Bossy	Chief Financial Officer (CFO)	Appointed 20 November 2023
James Marsh[19]	Executive Director Sales & Marketing	Redundant 17 November 2023
Tim Anderson[20]	Chief Commercial Officer (CCO)	Redundant 17 November 2023
Sarah Clarke[21]	Acting CEO, Company Secretary and General Counsel	From 20 November 2023

1.2 REMUNERATION GOVERNANCE

The Remuneration and Nomination Committee is responsible for determining the remuneration arrangements for KMP and making recommendations to the Board. The Committee comprises three Directors, inclusive of two who are independent Non-executive Directors.

The Committee reviews remuneration levels and other terms of employment on a periodic basis having regard to relevant employment market conditions, the strategy and performance of the Company, and the qualifications, skills and experience of the KMP.

The Committee also advises on the appropriateness of remuneration packages of the Company given trends in comparative peer companies, with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality board and executive team.

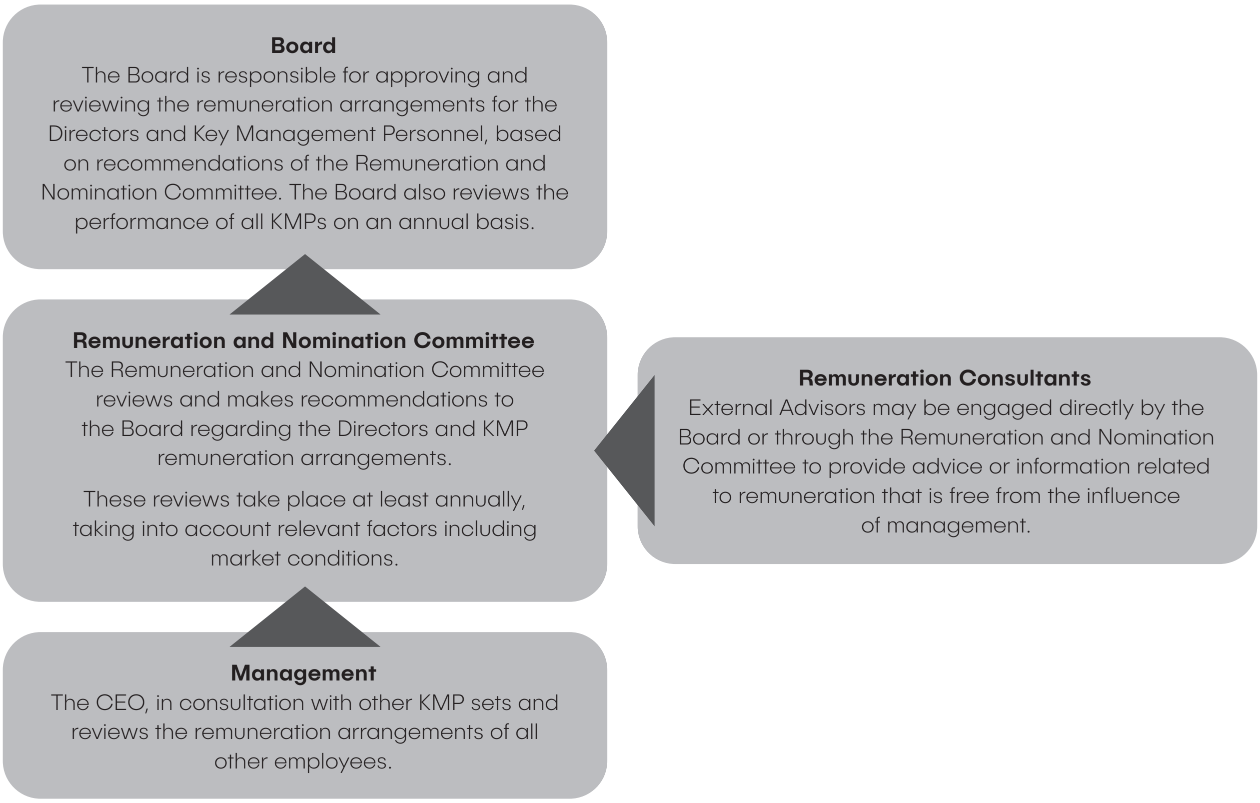
The overall remuneration framework is approved by the Board upon receiving recommendations by the Committee. The Committee's recommendations are based on adaptations to reflect competitive market and business conditions. Within this framework, the Committee considers remuneration policies and practices generally and determines specific remuneration packages and other terms of employment for the Managing Director and senior Executives. Executive remuneration and other terms of employment are reviewed annually having regard to performance, relevant comparative information and expert advice.

18 *Luke Anderson commenced as Managing Director/ Chief Executive Officer post financial year end on the 1 August 2024 and ceased employment on 11 September 2024. As a result, Sarah Clarke was appointed to Acting Chief Executive Officer.*

19 *James Marsh held the position of Executive Director, Sales and Marketing from 1 April 2023. On 10 October 2023 he resigned as an Executive Director and continued in his sales and marketing role until 17 November 2023.*

20 *The position of Chief Commercial Officer was determined to be redundant on 17 November 2023.*

21 *Ms Sarah Clarke became a Key Management Personnel on 20 November 2023 following the organisational restructure on 17 November 2023.*



1.3 ANDROMEDA REMUNERATION – STRATEGY AND PRINCIPLES

ELEMENT	DETAIL
Philosophy	The performance of the Company depends on the quality of its Directors and other KMP. Therefore, to achieve success in executing its corporate strategy, the Company must attract, motivate and retain appropriately qualified personnel. To achieve these aims, the Company embodies the following in its remuneration framework: – provide competitive rewards to attract and retain high calibre directors and other KMP; – link Executive rewards to shareholder value; – link reward with the strategic goals and performance of the Company; and – ensure total remuneration is competitive by market standards. The above framework is reliant on the business having the financial capacity to deliver on the above.
Purpose	The Company's remuneration framework is designed to align Executives' remuneration with shareholders' interests and to retain appropriately qualified executive talent for the benefit of the Company. The Framework aims to balance multiple factors such as Company operational performance, investor expectations, financial and sustainability performance, fairness to individuals and maintaining market competitiveness.
Principles	Andromeda operates a remuneration strategy comprising fixed pay and variable pay. – Fixed pay (Total Fixed Remuneration) includes base salary and statutory superannuation; and – Variable pay may include STI and LTI or may be structured in other ways. Remuneration is benchmarked to Australian Mining Companies similar in size, scale and operational scope to Andromeda utilising independent external data sources, with benchmarking set around the 50th percentile (+/-10%).

1.4 ENGAGEMENT OF REMUNERATION CONSULTANTS

From time to time, the Committee will seek advice from independent remuneration consultants on Executive KMP trends, remuneration benchmarking, and prevailing market practices. During the financial year, data was sought from REMSMART to benchmark Executive KMP remuneration, including fixed remuneration and incentive structures, against relevant ASX-listed organisations.

REMSMART data is used to benchmark the Company against peer companies in the mining and metals sector with a similar market capitalisation. The report was presented to the Remuneration and Nomination Committee, providing a summary of base salaries, statutory superannuation plans, STI and LTI levels and assessing the positioning of the Company compared to the market.

The Board received data from REMSMART that was free from undue influence from the Executive KMP to whom the remuneration information applies. The Board reviewed the data and utilised the Committee to consider the data, along with other business conditions when recommending remuneration packages.

1.5 ANDROMEDA REMUNERATION FRAMEWORK

The Company's Remuneration Framework consists of the following key components.

COMPONENT	DETAIL
Total fixed remuneration (TFR)	TFR includes base salary plus statutory superannuation. TFR is reviewed annually by the Committee, following consideration of individual performance, industry benchmarking, relevant economic indicators and internal capacity at Andromeda.
Variable remuneration – short-term incentive (STI)	The Company may invite Executives and employees to participate in its STI Program. The STI Program includes specific KPIs that are required to be achieved in order for an award to be made and the framework is reliant on the business having the financial capacity to deliver on the above. Further details regarding the STI Program is detailed below in section 1.6 Remuneration Components. NEDs will not participate in STI or LTI Programs.
Variable remuneration – long-term incentive (LTI)	The Company may invite Executives and managers to participate in the LTI Program. The LTI Program is based on the key metric of the Company's Total Shareholder Return (TSR) relative to a selected group of ASX-listed peer companies. LTI awards are granted as performance rights. Further details regarding the LTI Program is detailed below in section 1.6 Remuneration Components. 22,653,500 LTIs have been issued under this framework in March 2024 and a further 10,138,200 are proposed to be issued to Mr Katsiouleris for FY24, subject to shareholder approval Previously issued performance rights and options, and the one-off grant of 15 million performance rights to Mr Anderson in July 2024, were not linked to the current LTI incentive program and TSR metric. These lapsed on his resignation.
Malus clause	The Board has discretion in exceptional circumstances to forfeit or reduce any yet to be awarded or unvested STI and/or LTI opportunities, where previously awarded incentive outcomes have, in the opinion of the Board, resulted in the award of an inappropriate benefit. Any unvested securities or securities yet to be converted into fully paid ordinary shares will be subject to recovery (clawback).
Change of control	On the occurrence of a change of control event, the Board will determine, in its sole and absolute discretion, the manner in which all STI awards and LTI awards (unvested and vested Performance Rights) will be dealt with.
Termination of employment	If a participant in the STI or LTI program ceases employment with the Company prior to the end of the performance period, they will forego any STI or LTI award. A pro-rata payment of the STI/LTI award will be considered in exceptional circumstances. If the employee is a Good Leaver, as defined in the Company's Employee Incentive Plan, all unvested Performance Rights will remain and will be assessed at the end of the performance period.

1.6 REMUNERATION COMPONENTS

1.6.1 Non-executive director remuneration

In accordance with current corporate governance practices, the structure for the remuneration of NEDs and Senior Executives is separate and distinct.

Shareholders approve the maximum aggregate remuneration payable to NEDs, with the current aggregate Directors' Fees pool limit being $500,000 per annum. The Committee recommend the actual payments to Directors to the Board for decision.

The Company had adopted a remuneration structure where NEDs are wholly remunerated by fixed Director's Fees (wholly cash-based), with no Share Based Payment component (no issue of shares, options, performance rights or other securities), similar to other developer and producer listed public companies.

NED remuneration is structured as follows:

i) Up until 11 September 2024, the Non-executive Chair received fees of $200,000 per annum inclusive of any superannuation. After that date Mr Wilkes became a Non-executive Director and was replaced by Ms. Higgins who became the Executive Chair on a salary of $160,000 per annum.

ii) Mr Wilkes has elected to not claim any director fees from July 2024 until the Final Investment Decision (FID) for Stage 1A+ of the Great White Project is made by the Board.

iii) NEDs receive $116,000 per annum inclusive of superannuation.

iv) Directors holding an additional position of Committee Chair are not paid any additional fees.

v) Board Committee members are not paid any additional fee.

vi) NEDs are entitled to statutory superannuation benefits.

vii) NEDs are not remunerated through the issue of shares, options, performance rights or any other securities (subject to the proposal that up to 50% of NED director fees be paid as zero exercise price options, subject to shareholder approval at the 2024 AGM).

viii) NEDs are required to own shares in the Company, with the aim of owning:

  a 50% of pre-tax Director annual base fee within 3 years of appointment and

  b 100% of pre-tax Director annual base fee within 5 years of appointment.

ix) Any consultancy arrangements for NEDs who provide services outside of, and in addition to, their duties as NEDs are first considered by the Board and can only be permitted and approved by the Board.

NEDs are not entitled to participate in performance-based remuneration schemes, for example any STI or LTI programs.

All Directors are entitled to have premiums on indemnity insurance paid by the Company. During the financial year, the Company paid premiums to insure the Directors and other officers of the consolidated entity. The liabilities insured are for costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the consolidated entity. The Company has entered into indemnity insurance and access deeds with each of the Directors (**Deeds**). Under the Deeds, the Company agrees to indemnify each of the Directors to the extent permitted by the Corporations Act against certain liabilities incurred by the Directors whilst acting as an officer of the Company, and to insure each Director against certain risks to which the Company is exposed as an officer of the Company. The Deeds also grant each Director a right of access to certain records of the Company for a period of up to 7 years after the Director ceases to be an officer of the Company.

1.6.2 Executive remuneration

Executive remuneration is designed to promote superior performance and long-term commitment to the Company, whilst building sustainable shareholder value.

Remuneration packages are set at levels that are intended to attract and retain executives capable of contributing to the Company's operations and strategic plans. All executives receive a base remuneration which is market reviewed, together with performance-based remuneration linked to the achievement of pre-determined milestones and targets (Key Performance Indicators).

The structure of Executive remuneration comprises:

i) Fixed remuneration

ii) STI with KPIs linked to annual planning and strategic objectives; and

iii) LTI with KPIs as part of performance-based equity plans, with prior approval of shareholders to the extent required.

The proportion of fixed and variable remuneration was established by the Committee for FY24. The Committee linked the proportion of each segment to relevant market practices and to the degree to which the Board intends participants to focus on short and long-term outcomes and also took into account the cash position of the Company.

FIXED REMUNERATION	SHORT-TERM INCENTIVES	LONG-TERM INCENTIVES
– Comprises Director's Fees, consulting fees, salaries, and superannuation contributions	– Cash "at risk" component of remuneration for KMP – Linked to achievement of the Company's strategic objectives and outcomes – Based on performance against financial and non-financial KPIs – KPI targets were set at the beginning of each financial year and are intended to be challenging but achievable	– Equity "at risk" remuneration to promote alignment between KMP and shareholder value – Performance Rights granted based on KPI of TSR performance against TSR of ASX-listed peer group – Vesting over a three-year period

Post the FY24 reporting date period of this report, changes to Executive Remuneration are being considered by the Board and Key Management Personnel with regards to suspending LTI allocations for FY25 until the project is into production.

Fixed remuneration

Fixed remuneration comprises Director's Fees, consulting fees, salaries, and superannuation contributions.

Short-term incentives linked to annual planning and strategic objectives

The objective of STIs is to link achievement of the Company's strategic objectives and outcomes, which clearly build shareholder value, with the remuneration received by Executives charged with meeting those targets.

The STI is an "at risk" component of remuneration for key management personnel and is payable on both performance against KPIs set at the beginning of each financial year and the business having the financial capacity to deliver on the above. The targets are intended to be challenging but achievable.

The STI is offered annually, set as a percentage of annual salary, payment of which is conditional upon the achievement of agreed KPIs for each Executive, which comprise a combination of agreed milestones and financial measures. These milestones are selected from group, functional/unit and individual level objectives, each weighted to reflect their relative importance and each with targets linked to the Board's expectations and with threshold and target levels set where possible (some KPIs are binary and are either achieved or not achieved).

The KPIs comprise financial and non-financial objectives and include out-performance against financial metrics, health and safety targets and specific operations-related milestones including project development milestones for the Great White Project. Measures chosen directly to align with the individual's reward to the KPIs of the group and to its strategy and performance.

The participation rate for all employees in the STI program is as follows:

POSITION	TARGET STI % OF TFR
CEO/Managing Director	75%
Executives including Executive Directors	50%

The award rate scale for the KPIs within the STI program for all participants is as follows:

PERFORMANCE	AWARD
Below the threshold	Nil
Threshold performance	50% of KPI
Target performance	100% of KPI

Awards, if made, will be on a pro-rata basis (using the straight-line method) when between "Threshold" and "Target".

STI outcome award for 2024

Andromeda is committed to acknowledging our team for their hard work and dedication to the success of the Company and there was significant achievement towards the KPIs for the 2024 year. Due to the current cash position, the Remuneration Committee has determined that no STI payments will be awarded for FY 2024.

Long-term incentives through participation in performance-based equity plans

The objective of LTIs is to promote alignment between Executives and shareholders through the holding of equity. As such, LTIs are only granted to Executives who can directly influence the generation of shareholder wealth, or who are in a position to contribute to shareholder wealth creation.

The participation rate for Executives in the LTI Program is as follows:

POSITION	TARGET LTI % OF TFR
CEO/Managing Director	120%
Executives including Executive Directors	75%

The LTI Program is a program whereby Performance Rights are granted with a measurement period of three years and with the vesting condition KPI comprising TSR, on a graduated scale.

The measurement of TSR will be based on a combined return for the Company measured by the change in its share price plus dividends over a three-year period. The Company's TSR will be ranked against the TSR of a selected group of ASX-listed peer companies as determined by the Board of Directors.

The peer comparison list of companies for the 2024 TSR review included: Suvo Strategic Minerals Limited, WA Kaolin Limited, Zeotech Limited, Arafura Rare Earths Limited, Hastings Technology Metals Limited, Northern Minerals Limited, Ionic Rare Earths Limited, Image Resources Nl, Sheffield Resources Limited, Strandline Resources Limited, Base Resources Limited, EQ Resources Limited, Group 6 Metals Limited, BCI Minerals Limited, Centrex Limited, Kore Potash Plc, Latrobe Magnesium Limited, Euro Manganese Limited and Diatreme Resources Limited.

The award rate scale for the KPIs within the LTI Program for all participants is as follows:

PERFORMANCE	AWARD
Below the 50	Nil
50th percentile	50% of KPI
75th percentile or above	100% of KPI

Awards will be made on a pro-rata basis (using straight-line method) between the 50th and 75th percentile.

Any Performance Rights issued under the LTI Program will be issued pursuant to the Company's Employee Incentive Plan, with shareholder approval sought for any Executive Directors, as required.

LTI outcome award for FY 2024

The Board policy on the nature and amount of remuneration is linked to share price, given that LTIs are benchmarked against the share price of peer group companies and long-term incentives will only vest based on TSR over a 3-year period relative to the peer group listed above.

In line with balancing executive achievement and shareholder returns, a significantly reduced LTI was awarded to key management personnel for FY24 as follows:

POSITION	TARGET LTI % OF TFR
CEO/Managing Director	40% (subject to shareholder approval)
Executives including Executive Directors	25%

1.7 KEY MANAGEMENT PERSONNEL SERVICE AGREEMENTS

1.7.1 Non-executive Director agreements

The structure of NED remuneration has been provided in section 1.6.1 above. All NEDs are appointed pursuant to an Appointment Letter, which details the terms and conditions of the appointment.

NEDs are not appointed for a fixed term.

In addition to Directors' Fees that are detailed in section 1.6.1 above, NEDs are entitled to be paid reasonable travelling, accommodation and other expenses incurred as a consequence of their attendance at meetings of Directors and otherwise in the execution of their duties as Directors.

1.7.2 Executive Directors

BOB KATSIOULERIS – CEO/MANAGING DIRECTOR (UNTIL 31 JULY 2024)	
Agreement commenced	01 April 2023
Term of agreement	No fixed term
Details	Agreement ended 31 July 2024
Fixed remuneration	$550,000 per annum (inclusive of superannuation)
Equity compensation	Mr Katsiouleris is entitled to participate in the STI and LTI programs. Shareholder approval will be sought for the issue of 10,138,200 performance rights to Mr Katsiouleris under the LTI plan for FY 24. Full details are provided in section 1.10 below.
Termination/notice by the company/individual	Six months' notice
Other key terms	4 weeks annual leave
STI participation rate	Up to 75% (refer section 1.6.2 for full details)
LTI participation rate	Up to 120% (refer section 1.6.2 for full details)

JAMES MARSH, EXECUTIVE DIRECTOR, SALES AND MARKETING (UNTIL 17 NOVEMBER 2023)	
Agreement commenced	01 April 2023
Term of agreement	No fixed term
Details	Agreement terminated November 2023
Fixed remuneration	$420,000 per annum (inclusive of superannuation)
Equity compensation	Full details of the equity issued to Mr Marsh is provided in section 1.10 below
Termination/notice by the company/individual	Three months' notice
Other key terms	4 weeks annual leave
STI participation rate	Up to 60% (refer section 1.6.2 for full details)
LTI participation rate	Up to 120% (refer section 1.6.2 for full details)

1.7.3 Executives

JOSEPH RANFORD, CHIEF OPERATING OFFICER	
Agreement commenced	20 October 2022
Term of agreement	No fixed term
Fixed remuneration	$468,000 per annum (inclusive of superannuation)
Equity compensation	Mr Ranford is entitled to participate in the STI and LTI programs. During the reporting period Mr Ranford was issued with the following equity: – 5,391,700 performance rights Full details of the equity issued is provided in section 1.10 below.
Termination/notice by the company/individual	Three months' notice
Other key terms	4 weeks annual leave
STI participation rate	Up to 50% (refer section 1.6.2 for full details)
LTI participation rate	Up to 75% (refer section 1.6.2 for full details)

PASCAL ALEXANDER-BOSSY, CHIEF FINANCIAL OFFICER	
Agreement commenced	20 November 2023
Term of agreement	No fixed term
Fixed remuneration	$420,000 per annum (inclusive of superannuation)
Equity compensation	Mr Bossy is entitled to participate in the STI and LTI programs. During the reporting period Mr Bossy was issued with the following equity: – 4,838,700 performance rights Full details of the equity issued is provided in section 1.10 below.
Termination/notice by the company/individual	Three months' notice.
Other key terms	4 weeks annual leave
STI participation rate	Up to 50% (refer section 1.6.2 for full details)
LTI participation rate	Up to 75% (refer section 1.6.2 for full details)

SARAH CLARKE, COMPANY SECRETARY / GENERAL COUNSEL	
Agreement commenced	3 January 2023
Term of agreement	No fixed term
Fixed remuneration	$360,000 per annum (inclusive of superannuation)
Equity compensation	Ms Clarke is entitled to participate in the STI and LTI programs. During the reporting period Ms Clarke was issued with the following equity: – 3,564,500 performance rights Full details of the equity issued is provided in section 1.10 below.
Termination/notice by the company/individual	Three months' notice
Other key terms	4 weeks annual leave
STI participation rate	Up to 50% (refer section 1.6.2 for full details)
LTI participation rate	Up to 75% (refer section 1.6.2 for full details)

TIM ANDERSON, CHIEF COMMERCIAL OFFICER (UNTIL 17 NOVEMBER 2023)	
Agreement commenced	01 December 2021
Term of agreement	No fixed term
Details	Agreement terminated November 2023
Fixed remuneration	$337,000 per annum (inclusive of superannuation)
Equity compensation	Full details of the equity issued to Mr Anderson is provided in section 1.11 below.
Termination/notice by the company/individual	Three months' notice.
Other key terms	4 weeks annual leave
STI participation rate	Up to 50% (refer section 1.6.2 for full details)
LTI participation rate	Up to 75% (refer section 1.6.2 for full details)

1.8 PERFORMANCE AND OUTCOMES FOR 2024

The tables below set out summary information about the Group's earnings and movements in shareholder wealth for the five years to June 2024:

	30 JUNE 2024	30 JUNE 2023	30 JUNE 2022	30 JUNE 2021	30 JUNE 2020
Other Income	1,030,276	2,002,153	452,516	61,461	767,419
Net profit / (loss) before tax	(7,269,156)	(9,461,246)	(8,733,119)	(6,435,782)	(3,365,301)
Net profit / (loss) after tax	(7,269,156)	(9,461,246)	(8,733,119)	(6,443,299)	(3,447,274)

	30 JUNE 2024	30 JUNE 2023	30 JUNE	30 JUNE	30 JUNE
Share price at beginning of the year	$0.04	$0.07	$0.150	$0.051	$0.015
Share price at end of year	$0.016	$0.04	$0.07	$0.150	$0.051
Basic earnings per share	$(0.0023)	$(0.0030)	$(0.0033)	$(0.0033)	$(0.0024)
Diluted earnings per share	$(0.0023)	$(0.0030)	$(0.0033)	$(0.0033)	$(0.0024)

No dividends have been declared during the five years ended 30 June 2024 and the Directors do not recommend the payment of a dividend in respect of the year ended 30 June 2024.

1.9 REMUNERATION OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

		SHORT TERM REMUNERATION						LONG TERM REMUNERATION				
KMP	YEAR	Employee benefits, salary, and fees	Other non-cash benefits	Super-annuation	Incentives paid & accrued[1,2]	Terminations	Sub total	Share based payments for securities issued in the current period[3,4]	Share based payments for securities issued in prior periods[3,5]	Share based payments for securities cancelled[3]	Long service leave entitlement	Total
		$	$	$	$	$	$	$	$	$	$	$
Non-executive Directors												
Michael Wilkes	2024	200,000	-	-	-	-	200,000	-	-	-	-	200,000
	2023	200,000	-	-	-	-	200,000	-	-	-	-	200,000
Austen Perrin	2024	104,505	-	11,495	-	-	116,000	-	-	-	-	116,000
	2023	104,977	-	11,023	-	-	116,000	-	-	-	-	116,000
Sue-Ann Higgins[6]	2024	37,537	-	4,129	-	-	41,667	-	-	-	-	41,667
	2023	-	-	-	-	-	-	-	-	-	-	-
Melissa Holzberger[7]	2024	61,542	-	6,770	-	-	68,311	-	-	-	-	68,311
	2023	104,977	-	11,023	-	-	116,000	-	-	-	-	116,000
Andrew Shearer[8]	2024	-	-	-	-	-	-	-	-	-	-	-
	2023	15,239	-	1,600	-	-	16,839	-	53,978	(438,181)	-	(367,364)

		SHORT TERM REMUNERATION						LONG TERM REMUNERATION				
KMP	YEAR	Employee benefits, salary, and fees	Other non-cash benefits	Super-annuation	Incentives paid & accrued[1,2]	Terminations	Sub total	Share based payments for securities issued in the current period[3,4]	Share based payments for securities issued in prior periods[3,5]	Share based payments for securities cancelled[3]	Long service leave entitlement	Total
		$	$	$	$	$	$	$	$	$	$	$
Executive Directors												
Bob Katsiouleris[9]	2024	522,601	-	27,399	-	-	550,000	-	-	-	653	550,653
	2023	131,177	-	6,323	128,906	-	266,406	-	-	-	-	266,406
James Marsh[10]	2024	138,500	-	13,699	-	255,910	378,110	-	33,064	(148,102)11	(34,538)	228,534
	2023	519,231	36,799	25,292	47,775	-	629,097	-	213,859	(461,428)	34,538	416,066
Executives												
Joseph Ranford	2024	440,601	-	27,399	-	-	468,000	14,705	68,758	-[12]	10,409	561,872
	2023	449,940	-	18,969	72,540	-	541,449	-	211,284	-	11,621	764,354
Pascal Alexander-Bossy[13]	2024	241,014	22,456	18,618	-	-	282,088	13,197	-	-	-	295,285
	2023	-	-	-	-	-	-	-	-	-	-	-
Sarah Clarke[14]	2024	171,820	-	16,694	-	-	188.514	9,722	-	-	353	198,589
	2023	-	-	-	-	-	-	-	-	-	-	-
Timothy Anderson[15]	2024	109,220	-	13,699	-	112,002	234,922	-	-	(95,540)[16]	(390)	138,992
	2023	311,708	-	25,292	35,385	-	372,385	-	79,636	(32,116)	390	420,295
Michael Zannes[17]	2024	-	-	-	-	-	-	-	-	-	-	-
	2023	247,343	-	18,928	90,000	-	356,271	-	74,327	(151,022)	-	279,576
Total	2024	2,027,341	22,456	139,902	-	337,912	2,527,611	37,624	101,822	(243,642)	(23,512)	2,399,903
	2023	2,084,592	36,799	118,450	374,606	-	2,614,447	-	633,084	(1,082,747)	46,549	2,211,333

Footnotes to the above table in section 1.9

1 *Incentives accrued relate to STIs awarded for performance in the 2023 financial year against KPIs as detailed in section 1.7.2.*

2 *Incentives paid and incentives accrued are combined. FY23 Incentives were included in FY23 amounts but paid in FY24. There are no incentives accrued for FY24 as per the Award outcome explained in 1.6.2.*

3 *Share-based payments do not represent cash payments, and the related shares may or may not ultimately vest. In accordance with the requirements of accounting standard AASB 2 Share Based Payment, valuations of share-based payments were undertaken based on market conditions at the date of grant and are expensed over the relevant vesting period. The amount included as remuneration is not related to nor indicative of the benefit (if any) that may ultimately be realised should the securities vest.*

4 *Details of the securities issued to KMP during the current reporting period are disclosed in detail in section 1.11.*

5 *As stated above, share based payments are required to be expensed over the relevant vesting period as per AASB 2 Share Based Payment. Accordingly, an expense is required to be recognised in the current reporting period for grants of securities in prior years.*

6 *Ms Sue Anne Higgins was appointed to the Board on 21 Feb 2024.*

7 *Ms Melissa Holzberger ceased as a Director on 02 Feb 2024.*

8 *Mr Shearer ceased to be a Director on 24 August 2022.*

9 *Mr Katsiouleris was appointed as Chief Executive Officer on 1 April 2023 and as Managing Director on 27 April 2023. Mr Katsiouleris is expected to be issued with 10,138,200 performance rights (subject to shareholder approval), there is no associated value assigned to these performance rights in FY24 as they have yet to be issued. Subsequent to the financial year end, Mr Katsiouleris resigned on the 31 July 2024.*

10 *Mr Marsh ceased to be a Director on 17 November 2023.*

11 *During FY24, 1,710,000 options (valued at $117,038) and 106,751 performance rights (valued at $31,064) allocated to Mr Marsh were forfeited upon the cessation of employment. An additional 7,550,000 options (valued at $265,075), and 4,553,249 performance rights (valued at $927,258) allocated to Mr Marsh expired due to conditions not being met that are not included in Table 1.9.*

12 *During FY24, 4,600,000 performance rights (valued at $958,750) allocated to Mr Ranford expired due to conditions not being met that are not included in Table 1.9.*

13 *Mr Pascal Alexander-Bossy was appointed as Chief Financial Officer 20 November 2023.*

14 *Ms Sarah Clarke was appointed as Company Secretary and General Council 9 January 2023 and following a review of the Company's organisation structure has been considered a KMP since the 20 November 2023.*

15 *Mr Anderson ceased to be a KMP on 17 November 2023.*

16 *During FY24 1,400,000 options and 1,500,000 performance rights (valued at $95,540) allocated to Mr Tim Anderson were forfeited.*

17 *Mr Zannes ceased to be a KMP on 3 March 2023.*

1.10 OPTIONS AND PERFORMANCE RIGHTS

1.10.1 Options granted as compensation to key management personnel

There were no options granted during the periods ending 30 June 2023 or 30 June 2024.

1.10.1a Issuing of performance rights in report period ended 30 June 2024

2024	NUMBER OF PERFORMANCE RIGHTS GRANTED DURING THE PERIOD	NUMBER OF PERFORMANCE RIGHTS GRANTED DURING THE PERIOD THAT WERE CANCELLED OR LAPSED DURING THE PERIOD	TOTAL VALUE ALLOCATED IN FY24 TO PERFORMANCE RIGHTS GRANTED $
Non-executive Directors			
Michael Wilkes	-	-	-
Melissa Holzberger[1]	-	-	-
Austen Perrin	-	-	-
Sue-Ann Higgins[2]	-	-	-
Executive Directors			
Bob Katsiouleris	-	-	-
James Marsh[3]	-	-	-
Executives			
Joseph Ranford	5,391,700	-	14,705
Pascal Alexander-Bossy[4]	4,838,700	-	-
Sarah Clarke[5]	3,564,500		9,722
Timothy Anderson[6]	-	-	13,197
Total	13,794,900	-	37,624

Footnotes to the above table in section 1.10.1a

1 *Mr Melissa Holzberger ceased to be a Director on 2 February 2024.*
2 *Ms Sue-Ann Higgins was appointed as a Director on 21 February 2024 and Executive Chair subsequent to the period, on 11 September 2024.*
3 *Mr James Marsh ceased to be an Executive on 17 November 2023.*
4 *Mr Pascal Alexander-Bossy was appointed as an Executive on 20 November 2023.*
5 *Ms Sarah Clarke became a **KMP** on 20 November 2023.*
6 *Mr Timothy Anderson ceased to be an Executive on 17 November 2023.*

1.10.2 Performance rights granted as compensation to key management personnel

There were no performance rights granted during the period ended 30 June 2023.

Issuing of options and performance rights in reporting period ended 30 June 2024

Pascal Alexander-Bossy

On 18 March 2024, Mr Alexander-Bossy was issued with 4,838,700 performance rights which will vest and be convertible into fully paid ordinary shares in the Company upon satisfying performance conditions based on the Company's relative total shareholder returns (RTSR) relative to a selected group of ASX-listed peer group companies. The vesting scale for the RTSR performance requirement is as follows:

i) RTSR below 50th percentile: 0% of Performance Rights vest
ii) RTSR 50th percentile: 50% of Performance Rights vest
iii) RTSR 75th percentile or above: 100% of Performance Rights vest

The performance period is from 1 January 2024 and ends on 31 December 2026, a period of three years. Awards will be made on a pro-rata basis (using straight-line method) between the 50th and 75th percentile.

Joe Ranford

On 18 March 2024, Mr Ranford was issued with 5,391,700 performance rights which will vest and be convertible into fully paid ordinary shares in the Company upon satisfying performance conditions based on the Company's relative total shareholder returns (RTSR) relative to a selected group of ASX-listed peer group companies. The vesting scale for the RTSR performance requirement is as follows:

i) RTSR below 50th percentile: 0% of Performance Rights vest
ii) RTSR 50th percentile: 50% of Performance Rights vest
iii) RTSR 75th percentile or above: 100% of Performance Rights vest

The performance period is from 1 January 2024 and ends on 31 December 2026, a period of three years. Awards will be made on a pro-rata basis (using straight-line method) between the 50th and 75th percentile.

Sarah Clarke

On 18 March 2024, Ms Clarke was issued with 3,564,500 performance rights which will vest and be convertible into fully paid ordinary shares in the Company upon satisfying performance conditions based on the Company's relative total shareholder returns (RTSR) relative to a selected group of ASX-listed peer group companies. The vesting scale for the RTSR performance requirement is as follows:

i) RTSR below 50th percentile: 0% of Performance Rights vest
ii) RTSR 50th percentile: 50% of Performance Rights vest
iii) RTSR 75th percentile or above: 100% of Performance Rights vest

The performance period is from 1 January 2024 and ends on 31 December 2026, a period of three years. Awards will be made on a pro-rata basis (using straight-line method) between the 50th and 75th percentile.

Bob Katsiouleris

On 18 March 2024, Mr Katsiouleris was advised of the intention to issue, subject to shareholder approval, 10,138,200 performance rights which will vest and be convertible into fully paid ordinary shares in the Company upon satisfying performance conditions based on the Company's relative total shareholder returns (RTSR) relative to a selected group of ASX-listed peer group companies. The vesting scale for the RTSR performance requirement is as follows:

i) RTSR below 50th percentile: 0% of Performance Rights vest
ii) RTSR 50th percentile: 50% of Performance Rights vest
iii) RTSR 75th percentile or above: 100% of Performance Rights vest

The performance period is from 1 January 2024 and ends on 31 December 2026, a period of three years. Awards will be made on a pro-rata basis (using straight-line method) between the 50th and 75th percentile.

The performance rights for Mr Katsiouleris have yet to be issued and will be taken to the AGM for shareholder approval.

1.10.3 Key management personnel option holdings

2024	BALANCE AT PREVIOUS YEAR REPORTING DATE	GRANTED DURING THE PERIOD	CONVERTED DURING THE PERIOD	OTHER	BALANCE AT REPORTING DATE[1]
Non-executive Directors					
Michael Wilkes	–	–	–	–	–
Melissa Holzberger[2]	–	–	–	–	–
Austen Perrin	–	–	–	–	–
Sue-Ann Higgins[3]	–	–	–	–	–
Executive Directors					
Bob Katsiouleris	–	–	–	–	–
James Marsh[4]	9,210,000	–	–	(9,210,000)	–
Executives					
Joseph Ranford	1,650,000	–	–	–	1,650,000
Pascal Alexander-Bossy[5]	–	–	–	–	–
Sarah Clarke[6]	–	–	–	–	–
Timothy Anderson[7]	1,400,000	–	–	(1,400,000)	–
Total	12,260,000	–	–	(10,610,000)	1,650,000

Footnotes to the above table in section 1.10.3

1 *As at 30 June 2024, there were no options held by KMP that had vested and were exercisable.*
2 *Ms Melissa Holzberger ceased to be a Director on 2 February 2024.*
3 *Ms Sue-Ann Higgins was appointed as a Director on 21 February 2024 and Executive Chair subsequent to the period, on 11 September 2024.*
4 *Mr James Marsh ceased to be an Executive on 17 November 2023, with 1,710,000 options were subsequently forfeited when he ceased employment and a further 7,500,000 options expired.*
5 *Mr Pascal Alexander-Bossy was appointed as an Executive on 20 November 2023.*
6 *Ms Sarah Clarke became an Executive on 20 November 2023.*
7 *Mr Timothy Anderson ceased to be a KMP on 17 November 2023, with 1,400,000 options forfeited when he ceased employment.*

1.10.4 Key management personnel performance rights holdings

2024	BALANCE AT PREVIOUS YEAR REPORTING DATE	GRANTED DURING THE PERIOD	CONVERTED DURING THE PERIOD	OTHER	BALANCE AT REPORTING DATE[1]
Non-executive Directors					
Michael Wilkes	–	–	–	–	–
Melissa Holzberger[2]	–	–	–	–	–
Austen Perrin	–	–	–	–	–
Sue-Ann Higgins[3]	–	–	–	–	–
Executive Directors					
Bob Katsiouleris	–	–	–	–	–
James Marsh[4]	4,660,000	–	–	(4,660,000)[4]	–
Executives					
Joseph Ranford	4,600,000	5,391,700[5]		(4,600,000)	5,391,700
Pascal Alexander-Bossy[6]	–	4,838,700[7]	–	–	4,838,700
Sarah Clarke[8]		3,564,500[9]			3,564,500
Timothy Anderson[10]	1,500,000	–	–	(1,500,000)[10]	–
Total	10,760,000	13,794,900	–	(10,760,000)	13,794,900

Footnotes to the above table in section 1.10.4

1. *As at 30 June 2024, there were no performance rights held by KMP that had vested and were exercisable.*
2. *Ms Melissa Holzberger ceased to be a Director on 2 February 2024.*
3. *Ms Sue-Ann Higgins was appointed to the Board on 21 February 2024 and Executive Chair subsequent to the period, on 11 September 2024.*
4. *Mr James Marsh ceased to be an Executive on 17 November 2023, with 106,751 Performance Rights being forfeited when he ceased employment and a further 4,553,249 Performance Rights subsequently lapsed.*
5. *During the FY24, 5,391,700 performance rights were issued to Mr Ranford and 4,600,00 performance rights issued to Mr Radford in previous periods lapsed.*
6. *Mr Pascal Alexander-Bossy was appointed an Executive on 20 November 2023.*
7. *During FY24, 4,838,700 performance rights were issued to Mr Alexander-Bossy.*
8. *Ms Sarah Clarke became an Executive on 20 November 2023.*
9. *During FY24, 3,564,500 performance rights were issued to Ms Clarke.*
10. *Mr Timothy Anderson ceased to be an Executive on 17 November 2023, with 1,500,000 Performance Rights being forfeited when he ceased employment.*

1.11 KEY MANAGEMENT PERSONNEL SHAREHOLDING

The numbers of shares in the Company held during the financial year by key management personnel, including personally related entities are set out below:

2024	BALANCE AT 1 JULY 2023	RECEIVED THROUGH EXERCISE OF OPTIONS/ RIGHTS	PURCHASE OR DISPOSAL DURING THE YEAR	OTHER (shares held when ceasing to be KMP)	BALANCE AT 30 JUNE 2024
Non-executive Directors					
Michael Wilkes	3,533,195	-	-	-	3,533,195
Melissa Holzberger[1]	657,948			(657,948)	-
Austen Perrin	939,598	-	-	-	939,598
Sue-Ann Higgins[2]	-	-	-	-	-
Executive Directors					
Bob Katsiouleris[3]	11,950,000	-	-	-	11,950,000
James Marsh[4]	14,195,153			(14,195,153)	-
Executives					
Joseph Ranford	8,360,000	-	-	-	8,360,000
Pascal Alexander-Bossy[5]	-	-	-	-	-
Sarah Clarke[6]	-	-	-	-	-
Timothy Anderson[7]	262,500	-	-	(262,500)	-
Total	39,898,394	-	-	(15,115,601)	24,782,793

Footnotes to the above table in section 1.11
1 *Ms Melissa Holzberger ceased as a Non-executive Director at 02 February 2024.*
2 *Ms Sue-Ann Higgins commenced as a Non-executive Director at 21 February 2024.*
3 *Mr Bob Katsiouleris ceased to be an Executive Director at 31 July 2024.*
4 *Mr James Marsh ceased to be an Executive at 17 November 2024.*
5 *Mr Pascal Alexander-Bossy was appointed an Executive on 20 November 2023.*
6 *Ms Sarah Clarke became an Executive on 20 November 2023.*
7 *Mr Timothy Anderson ceased to be an Executive on 17 November 2024.*

1.12 OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL AND/OR THEIR RELATED PARTIES

Mr Wilkes invoices through his private company for Director's Fees only. It is not a separate entity that provides consulting services to the Company. The NEDs Austen Perrin and Sue-Ann Higgins are paid Director's Fees through the Company's payroll.

During the year, Mr Wilkes, Mr Perrin and Ms Higgins satisfied the definition and maintained their status as Independent NEDs, thus retain objectivity and their ability to meet their oversight role. Subsequent to the end of the financial year, Ms Sue-Ann Higgins was appointed Executive Chair, effective 11 September 2024, and is therefore no longer considered independent.

Mr Luke Anderson invoiced through his private company for consulting fees prior to his commencement as Managing Director / CEO during his handover with Mr Katsiouleris.

Shareholder approval will be sought for the issue of 10,138,200 performance rights to Mr Katsiouleris as part of the FY24 LTI awards.

End of remuneration report (audited)

Auditors independence declaration

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060
11 Waymouth Street
Adelaide, SA, 5000
Australia

Tel: +61 8 8407 7000
www.deloitte.com.au

30 September 2024

The Board of Directors
Andromeda Metals Limited
Level 10/431 King William Street
ADELAIDE SA 5000

Dear Board Members

Auditor's Independence Declaration to Andromeda Metals Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Andromeda Metals Limited.

As lead audit partner for the audit of the financial report of Andromeda Metals Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) Any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Darren Hall
Partner
Chartered Accountants

Financial report (audited)

Consolidated statement of profit or loss and other comprehensive income

for the year ended 30 June 2024

	NOTE	YEAR ENDED 30/06/24 $	YEAR ENDED 30/06/23 $
Other income	4	1,030,276	2,002,153
Impairment of exploration and evaluation assets	9	(853,792)	(672,213)
Exploration and evaluation expenditure expensed	9	(10,180)	(72,374)
Administration expenses		(1,818,991)	(2,158,334)
Corporate consulting expenses		(1,359,401)	(1,959,036)
Company promotion		(65,609)	(85,160)
Salaries and wages		(2,976,226)	(2,799,835)
Directors' fees		(403,763)	(425,194)
Occupancy expenses		(2,099)	(25,477)
Research and development		(821,124)	(2,838,533)
Share based payments		11,753	(427,243)
Loss before income tax	4	(7,269,156)	(9,461,246)
Tax expense	5	-	-
Loss for the year		(7,269,156)	(9,461,246)
Other comprehensive income, net of income tax		-	-
Total comprehensive loss for the year		(7,269,156)	(9,461,246)
Earnings per share			
Basic (cents per share) – (Loss)	25	(0.23)	(0.30)
Diluted (cents per share) – (Loss)	25	(0.23)	(0.30)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

as at 30 June 2024

	NOTE	30/06/24 $	30/06/23 $
CURRENT ASSETS			
Cash and cash equivalents	6	5,436,262	15,300,890
Trade and other receivables	7	706,141	2,841,021
Assets classified as held for sale	9a	-	1,750,000
TOTAL CURRENT ASSETS		6,142,403	19,891,911
NON-CURRENT ASSETS			
Exploration and evaluation assets	9	143,987,140	142,124,436
Property, plant and equipment	10	5,949,169	2,714,037
Other financial assets	8	1,989,303	300,107
TOTAL NON-CURRENT ASSETS		151,925,612	145,138,580
TOTAL ASSETS		158,068,015	165,030,491
CURRENT LIABILITIES			
Trade and other payables	11	2,250,227	1,730,341
Lease liabilities - current	13	215,898	200,576
Provisions	12	251,112	309,711
TOTAL CURRENT LIABILITIES		2,717,237	2,240,628
NON-CURRENT LIABILITIES			
Provisions	14	109,407	106,480
Lease liabilities - non-current	13	365,437	526,540
TOTAL NON-CURRENT LIABILITIES		474,844	633,020
TOTAL LIABILITIES		3,192,081	2,873,648
NET ASSETS		154,875,934	162,156,843
EQUITY			
Issued capital	15	219,882,120	219,882,120
Reserves	16	1,132,222	5,213,883
Accumulated losses		(66,138,408)	(62,939,160)
TOTAL EQUITY		154,875,934	162,156,843

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

for the year ended 30 June 2024

	ISSUED CAPITAL $	SHARE OPTION RESERVE $	NCI ACQUISITION RESERVE $	ACCUMULATED LOSSES $	TOTAL $
Balance at 30 June 2022	219,250,120	5,938,472	926,813	(54,924,558)	171,190,847
Loss attributable to the year	-	-	-	(9,461,246)	(9,461,246)
Total comprehensive loss for the year	-	-	-	(9,461,246)	(9,461,246)
Conversion of performance rights	632,000	(632,000)	-	-	-
Fair value of options issued to directors	-	144,178	-	-	144,178
Fair value of performance rights issued to directors	-	413,130	-	-	413,130
Fair value of options issued to employees	-	91,197	-	-	91,197
Fair value of performance rights issued to employees	-	136,383	-	-	136,383
Performance rights forfeited	-	(292,171)	-	-	(292,171)
Options expired	-	(1,446,644)	-	1,446,644	-
Options forfeited	-	(65,475)	-	-	(65,475)
Balance at 30 June 2023	219,882,120	4,287,070	926,813	(62,939,160)	162,156,843
Loss attributable to the year	-	-	-	(7,269,156)	(7,269,156)
Total comprehensive loss for the year	-	-	-	(7,269,156)	(7,269,156)
Conversion of performance rights					
Fair value of options issued to directors	-	35,693	-	-	35,693
Fair value of performance rights issued to directors	-	97,235	-	-	97,235
Fair value of performance rights issued to employees	-	104,289	-	-	104,289
Performance rights forfeited	-	(36,392)	-	-	(36,392)
Performance rights expired	-	(3,363,042)	-	3,363,042	-
Options forfeited	-	(212,578)	-	-	(212,578)
Options expired	-	(706,866)	-	706,866	-
Balance at 30 June 2024	219,882,120	205,409	926,813	(66,138,408)	154,875,934

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

for the year ended 30 June 2024

	INFLOWS/(OUTFLOWS)	
	YEAR ENDED 30/06/24 $	YEAR ENDED 30/06/23 $
Cash flows relating to operating activities		
Receipts from government grants	2,067,379	353,602
Payments to suppliers and employees	(7,119,762)	(9,488,392)
Net cash used in operating activities	(5,052,383)	(9,134,790)
Cash flows relating to investing activities		
Interest received	297,036	382,353
Receipts from government grants	2,270,256	-
Receipts/(payment) of environmental bonds	7,000	(10,000)
Receipts from tenement sales	550,000	-
Receipts from share sales	206,500	-
Payments for exploration and evaluation expenditure	(4,835,139)	(7,521,335)
Payments for property, plant and equipment	(3,060,297)	(1,076,685)
Cash transferred from/(to) secured term deposit	-	32,524
Net cash used in investing activities	(4,564,644)	(8,193,143)
Cash flows relating to financing activities		
Lease payments	(226,544)	(197,006)
Interest paid	(21,057)	(27,374)
Net cash used in financing activities	(247,601)	(224,380)
Net decrease in cash and cash equivalents	(9,864,628)	(17,552,313)
Cash at beginning of financial year	15,300,890	32,853,203
Cash and cash equivalents at end of financial year	5,436,262	15,300,890

Consolidated statement of cash flows

for the year ended 30 June 2024

Reconciliation of loss for the period to net cash flow from operating activities:

	INFLOWS/(OUTFLOWS)	
	YEAR ENDED 30/06/24 $	YEAR ENDED 30/06/23 $
Loss for the period	(7,296,156)	(9,461,246)
Interest income	(214,371)	(459,521)
Share based remuneration	(11,753)	427,243
Depreciation	490,815	424,722
Interest expense	21,057	27,374
Exploration written off or impaired	863,972	744,587
Research and development incentive received (operating)	2,067,379	353,602
(Increase) in receivables	(750,959)	(1,510,517)
Increase/(decrease) in payables	(136,316)	89,310
Increase/(decrease) in provisions	(55,673)	195,356
Loss on disposal of assets	100,750	-
Fair value movement of financial instruments	(158,129)	34,300
Net operating cash flows	(5,052,383)	(9,134,790)

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes

Notes to the financial statements

for the financial year ended 30 June 2024

1 GENERAL INFORMATION

Andromeda Metals Limited (the Company) is a listed public company, incorporated in Australia and operating in Australia.

Andromeda Metals Limited's registered office and its principal place of business are as follows:

Registered office

Level 10, 431 King William Street
Adelaide
South Australia, 5000

Principal place of business

Level 10, 431 King William Street
Adelaide
South Australia, 5000

Principal activities

The principal activity of the Company is the advancement of the Great White Project (GWP) through the development of production facilities for kaolin products to meet increasing market demand.

Presentation currency and rounding

These financial statements are presented in Australian Dollars ($).

The company is of a kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts the financial report are rounded off to the nearest dollar, unless otherwise indicated.

2 ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2023. There has been no material impact to the financial statements of the Group from adopting the updated Standards.

STANDARD	IMPACT
AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates	Requires the disclosure of material accounting policy information and clarifies how entities should distinguish changes in accounting policies and changes in accounting estimates. The application of the amendments did not have a material impact on the Group's consolidated financial statements but has changed the disclosure of accounting policy information in the financial statements.
AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	Clarifies that deferred taxes must be recognised where, on initial recognition of an asset or liability, the transaction gives rise to equal taxable and deductible temporary differences.
AASB 2023-2 Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules	Prohibits the recognition and disclosure of deferred taxes arising from OECD Pillar Two income taxes and requires certain disclosures related to those taxes. The Group applied the mandatory exception to the recognition and disclosure of deferred taxes arising from OECD Pillar Two income taxes for the first time for the annual reporting period ending 30 June 2023. The Group will disclose any known or reasonably estimable information that helps users of financial statements understand the entity's exposure to Pillar Two income taxes arising from Pillar Two legislation that is substantively enacted in any jurisdiction in which the entity operates. As at 30 June 2024, substantive enactment has not occurred in any of those jurisdictions. Furthermore, the entity will separately disclose the amount of current tax arising from Pillar Two taxes in periods where the Pillar Two legislation is operative.

Standards and Interpretations on issue but not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Group for the annual reporting period ended 30 June 2024. Those which may be relevant to the Group are set out in the table below.

STANDARD/AMENDMENT	EFFECTIVE FOR ANNUAL REPORTING PERIODS BEGINNING ON OR AFTER	NATURE OF THE CHANGE AND EXPECTED IMPACT
AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (as amended)	1 January 2025	Limits the recognition of gain or loss arising from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or joint venture to the extent of the unrelated investors' interest in that associate or joint venture. Similar limitations apply to remeasurements of retained interests in former subsidiaries. These amendments may impact the Group's consolidated financial statements in future periods should such transactions arise.
AASB 2022-6 Amendments to Australian Accounting Standards –Non-current Liabilities with Covenants	1 January 2024	Clarifies when liabilities should be presented as current or non-current in the statement of financial position, including the impact of covenants on that classification. The amendments may impact the classification of the Group's financial liabilities in future periods as certain of those liabilities are subject to covenants
AASB 2023-5 Amendments to Australian Accounting Standards – Lack of Exchangeability	1 January 2025	Specifies how to assess whether a currency is exchangeable and how to determine the exchange rate when it is not. The Group currently does not have operations in countries where the currency is not exchangeable at the measurement date.
AASB 2022-5 Amendments to Australian Accounting Standards –Lease Liability in a Sale and Leaseback	1 January 2024	Requires a seller-lessee to subsequently measure lease liabilities arising from a sale and leaseback transaction in a way that does not result in recognition of a gain or loss that relates to the right of use it retains. The Group does not currently have sale and leaseback arrangements. The Group will apply the amendments if sale and leaseback arrangements are entered into in the future.
AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements	1 January 2024	Requires the disclosure of information about an entity's supplier finance arrangements. The Group currently does not have any supplier finance arrangements.

The Directors of the Company do not anticipate that the application of the amendments will have a material impact on the Group's consolidated financial statements.

3 MATERIAL ACCOUNTING POLICIES

Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001, Accounting Standards and Interpretations, and comply with other requirements of the law. The financial statements comprise the consolidated statements of the Group. For the purpose of preparing the consolidated financial statements, the Company is a profit entity.

Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Company and the Group comply with International Financial Reporting Standards ('IFRS').

The financial statements were authorised for issue by the directors on 30 September 2024.

Basis of preparation

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

In the application of the Group's accounting policies, which are described below, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

Significant management judgement

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Exploration and evaluation expenditure

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgement in determining whether it is likely that future economic benefits are likely either from future exploration or sale or whether activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of a Joint Ore Reserves Committee (JORC) resource is itself an estimation process that requires varying degrees of uncertainty depending on sub-classification and these estimates directly impact the point of deferral of exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available.

Ore reserve and resource estimates

The Group estimates its ore reserves and mineral resources based on information compiled by Competent Persons (as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Resources (the JORC Code). Reserves determined in this way are taken into account in considering the recoverability of capitalised exploration and evaluation expenditure.

Going concern

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will continue normal business activities, realise its assets and discharge its liabilities in the ordinary course of business for a period of at least 12 months from the date these financial statements are approved.

For the year ended 30 June 2024 the Group incurred a net loss of $7,269,156 (30 June 2023: $9,461,246), and experienced net cash outflows from operating activities $5,052,383 (30 June 2023: $9,134,790) and investing activities of $4,564,644 (30 June 2023: $8,193,143). Included in cash from operating activities for the year ended 30 June 2024 are receipts from government grants of $2,067,379 (30 June 2023: $353,602). Included in cash from investing for the year ended 30 June 2024 are receipts from government grants of $2,270,256 (30 June 2023: Nil). At 30 June 2024, the Group has cash reserves of $5,436,262 (30 June 2023: $15,300,890).

The Directors, in their consideration of the appropriateness of using the going concern basis for the preparation of the financial statements, have had regard to the following matters:

- In August 2024, the Group successfully completed a share placement to sophisticated and institutional investors raising $3.14 million after costs. Additionally, the Company is undertaking a pro-rata non-renounceable rights entitlement offer to existing shareholders to raise up to a further $3.1 million before costs.
- The Group continues to pursue its flagship development, the Great White Project. Certain activities will continue to be undertaken on the Project such as the procurement of certain long lead items, development of a start-up project team and preliminary construction activities in advance of a final investment decision for the Great White Project.
- It is noted that substantial expenditure to develop the Project will only take place once a final investment decision has been made, following the securing of the required debt and equity funding.
- The Group is in ongoing dialogue with a select number of debt capital market participants in relation to the Great White Project. Progress is being made towards finding an appropriate debt funding package to partially support the Project's funding needs.
- The Group has also engaged Azure Capital as an advisor to identify strategic and cornerstone investors to develop the Great White Project and advise on any M&A marketing opportunities.
- Should funding for the Great White Project not be secured by February 2025, uncommitted expenditure will cease until funding is secured. Under this scenario, management have prepared a cash flow forecast for the period ending 30 September 2025 which indicates minimum funding of $4.5 million will be required progressively over the period commencing from March 2025 by way of debt, equity or other forms of funding to continue to progress the Group's projects through to 30 September 2025.
- The Group is pursuing other funding options in addition to debt for the Great White project and for general corporate purposes, in order to provide coverage for the Group's non-Project expenditure and coverage for the Project's development up to initial commercial production should an investment decision be made for the Project.
- On 6 May 2024, the Company announced expansion plans for GWP had been brought forward due to anticipated sales volumes, increasing planned production of new Stage 1A+ for 100,000 wmt pa (from previously planned 55,000 wmt pa). This increased the pre-tax NPV_8 of the GWP to $1,074 million ($763 million post tax NPV8), a $64 million increase over the 2023 DFS for the Great White Project.

In considering the above and the factors available to the Directors to manage the Group's risks, the Directors are satisfied it remains appropriate to prepare the financial statements on the going concern basis.

Should the Group be unable to achieve the additional funding referred to above, there is a material uncertainty that may cast significant doubt as to whether the Group will be able to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business.

No adjustments have been made to the financial statements relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

Accounting policies

a) *Cash and cash equivalents*

In the statement of financial position, cash and bank balances comprise cash (i.e. cash on hand and demand deposits) and cash equivalents. Cash equivalents are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

Bank balances for which use by the Group is subject to third party contractual restrictions are included as part of cash unless the restrictions result in a bank balance no longer meeting the definition of cash. Contractual restrictions affecting use of bank balances are disclosed in note 22(e). If the contractual restrictions to use the cash extend beyond 12 months after the end of the reporting period, the related amounts are classified as non-current in the statement of financial position.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

b) *Employee benefits*

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

Contributions to accumulated benefit superannuation plans are expensed when incurred.

c) *Exploration and evaluation expenditure*

Exploration and evaluation expenditures in relation to each separate area of interest, are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

i) the rights to tenure of the area of interest are current; and

ii) at least one of the following conditions is also met:

- the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale: or
- exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploration drilling, trenching and sampling and associated activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they relate directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances (as defined in AASB 6 "Exploration for and Evaluation of Mineral Resources") suggest that the carrying amount of exploration and evaluation assets may exceed its recoverable amount. The recoverable amount of the exploration and evaluation assets (or the cash-generating unit(s) to which it has been allocated, being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision is made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment, reclassified to development properties, and then amortised over the life of the reserves associated with the area of interest once mining operations have commenced.

Farm-outs – exploration and evaluation phase

The consolidated entity accounts for the treatment of farm-out arrangements under AASB 6 Evaluation of Mineral Resources under these arrangements:

- the farmor will not capitalise any expenditure settled by the farmee;
- any proceeds received that are not attributable to future expenditure are initially credited against the carrying amount of any existing exploration and evaluation asset; and
- to the extent that the proceeds received from the farmee exceed the carrying amount of any exploration an evaluation asset that has already been capitalised by the farmor, this excess is recognised as a gain in profit or loss.

d) *Financial assets*

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL). Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch. Amortised cost and effective interest method. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

e) Goods and service tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense or:

ii) for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

f) Impairment of assets (other than exploration and evaluation)

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior periods. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

g) *Income tax*

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax

Deferred tax is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacting by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the consolidated entity expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the company/consolidated entity intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the Statement of Comprehensive Income, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

Tax consolidation

The Company and all its wholly-owned Australian resident entity are part of a tax-consolidated group under Australian taxation law. Andromeda Metals Limited is the head entity in the tax-consolidated group. Tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within group' approach. Current tax liabilities and assets and deferred tax assets arising from unused tax losses and tax credits of the members of the tax-consolidated group are recognised by the Company (as head entity in the tax-consolidated group).

Due to the existence of a tax funding arrangement between the entities in the tax-consolidated group, amounts are recognised as payable to or receivable by the Company and each member of the group in relation to the tax contribution amounts paid or payable between the parent entity and the other members of the tax-consolidated group in accordance with the arrangement. Further information about the tax funding arrangement is detailed in Note 5 to the financial statements. Where the tax contribution amount recognised by each member of the tax-consolidated group for a particular period is different to the aggregate of the current tax liability or asset and any deferred tax asset arising from unused tax losses and tax credits in respect of that period, the difference is recognised as a contribution from (or distribution to) equity participants.

h) *Financial liabilities and equity*

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

Other financial liabilities

All financial liabilities are initially measured at fair value, net of transaction costs.

All financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

i) *Property, plant and equipment*

Property, plant and equipment are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on plant and equipment. Depreciation is calculated on a straight-line basis so as to write off the net cost of each asset over its expected useful life to its estimated residual value. The estimated useful lives, residual values and depreciation method is reviewed at the end of each annual reporting period.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

Freehold land is not depreciated.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The following estimated useful lives are used in the calculation of depreciation:

Buildings	20 years
Plant and equipment	3-10 years
Motor vehicles	4 years
Furniture and fittings	3-5 years
Office and IT equipment	3-5 years
Leasehold improvements	5 years
Right of use assets	3-5 years

j) *Principles of consolidation*

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;

- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between the aggregate of the fair value of the consideration received and the fair value of any retained interest and the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable AASBs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9, when applicable or the cost on initial recognition of an investment in an associate or a joint venture.

k) Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is that rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

l) Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market-based vesting conditions. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 15.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

m) Leases

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the Group and the lease does not benefit from a guarantee from the Group.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under AASB 137. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies AASB 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

n) *Government grants*

Government grants are assistance by government in the form of transfers of resources to the Group in return for past or future compliance with certain conditions relating to the operating activities of the entity.

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and the grant will be received. Government grants whose primary condition is to assist with exploration activities are netted against the exploration asset to which they relate in the statement of financial position.

Other government grants are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate on a systematic basis. Government grants receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the consolidated entity with no future related costs are recognised as income in the period in which it becomes receivable.

Other grants related to cost reimbursements are recognised as other income in profit or loss in the period when the costs were incurred or when the incentive meets the recognition requirements (if later).

o) *Business combinations*

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of their fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant Standards. Changes in the fair value of contingent consideration classified as equity are not recognised.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interest in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under AASB 3 Business Combinations are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with AASB 112 "Income Taxes" and AASB 119 "Employee Benefits" respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with AASB 2 "Share-based Payment"; and
- assets (or disposal groups) that are classified as held for sale in accordance with AASB 5 "Non-current Assets Held for Sale and Discontinued Operations" are measured in accordance with that Standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year.

p) *Asset acquisitions*

The acquisition of assets that do not represent a business combination in accordance with AASB 3 Business Combinations are accounted for as an asset acquisition. Accordingly, when an asset acquisition does not constitute a business combination, the cost of acquisition is allocated to the identifiable assets and liabilities based on their relative fair values at the date of purchase. Transactions costs of the acquisition are included in the capitalised cost of the asset. No goodwill arises on the acquisition and no deferred tax will arise due to the initial recognition exemption for deferred tax under AASB 112 Income Taxes.

q) Non-current assets held for sale

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment in an associate or, a portion of an investment in an associate, the investment, or the portion of the investment in the associate, that will be disposed of is classified as held for sale when the criteria described above are met. The Group then ceases to apply the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate that has not been classified as held for sale continues to be accounted for using the equity method.

r) Research and development

Expenditure on research and development activities are recognised in the period in which it is incurred. Research activities are captured in both the Consolidated Statement of Profit or Loss, as expenses, and on the Consolidated Statement of Financial Position as part of the exploration and evaluation assets where appropriate.

Research and development government grants, both received and accrued, are recognised in other income, for expenditure recognised as an expense, and offsetting the associated capitalised expenditure when the expenditure is recognised in exploration and evaluation.

4 LOSS FROM OPERATIONS

	YEAR ENDED 30/06/24 $	YEAR ENDED 30/06/23 $
Other income		
Interest income on bank deposits	214,371	459,521
Gain/(loss) on disposal of assets (i)	(100,750)	-
Government grants (ii)	758,526	1,575,422
Fair value movement in equity investment held at fair value through profit & loss	158,129	(34,300)
Other	-	1,510
	1,030,276	2,002,153

(i) Includes loss on disposal of Trigg Minerals Limited (TMG) shareholding $88,500 (2023: Nil).

(ii) Research and development tax incentive recognised of $758,526 (2023: $1,547,422)

Other expenses		
Employee benefit expense:		
Post-employment benefits:		
Accumulated benefit superannuation plans	481,713	410,549
Share based payments:		
Equity settled share-based payments (i)	(11,753)	427,243
Other employee benefits (ii)	5,606,791	6,010,358
	6,076,751	6,848,150
Less amounts capitalised in exploration and evaluation expenditure	(2,771,510)	(2,973,779)
	3,305,242	3,874,371
Depreciation of property, plant and equipment	490,815	424,722
Short-term rental expenses	56,998	65,746

(i) Share based payments relate to the amortisation of shares, options or performance rights granted to employees. Share based payments do not represent cash payments and may or may not be exercised by the employee.

(ii) Other employee benefits include salary and wages expenses of $4,375,281 (2023: $4,552,530), Director Fees $403,763 (2023: $425,194) and Termination expenses of $332,262 (2023: Nil).

5 INCOME TAX

	YEAR ENDED 30/06/24 $	YEAR ENDED 30/06/23 $
a) Income tax recognised in profit or loss		
The prima facie income tax expense on the loss before income tax reconciles to the tax expense in the financial statements as follows:		
Loss from continuing operations	(7,269,156)	(9,461,246)
Income tax income calculated at 25% (2023: 30%)	(1,817,289)	(2,838,374)
Share based payments	(2,938)	128,173
Non deductable expenses	203,691	823,590
Non-assessable income	(177,654)	(464,227)
Other	-	-
Deferred tax assets not brought to account	1,794,190	2,350,838
Tax expense	-	-

The tax rate used in the above reconciliation is the corporate tax rate of 25% payable (2023: 30%) by Australian corporate entities on taxable profits under Australian tax law, being the tax rate that is expected to apply to the period when the net deferred tax asset is expected to be realised.

b) Recognised tax assets and liabilities

Deferred tax assets/(liabilities) are attributable to the following:

	30/06/24 $	30/06/23 $
Trade and other receivables	(65,112)	(106,908)
Exploration and evaluation expenditure	(34,359,321)	(40,634,183)
Assets available for sale	-	(525,000)
Property plant and equipment	(51,858)	(82,790)
Investments	(5,490)	37,176
Capital raising costs	631,180	1,061,717
Trade and other payables	110,672	213,712
Employee benefits	76,380	108,357
Other liabilities	-	-
	(33,663,549)	(39,927,919)
Tax value of losses carried forward	33,663,549	39,927,919
Net deferred tax assets / (liabilities)	-	-

c) Unrecognised deferred tax assets:

A deferred tax asset has not been recognised in respect of the following items:

	30/06/24 $	30/06/23 $
Tax losses-revenue (Group)	12,992,490	14,076,994
Tax losses-revenue (transferred)	6,474,006	7,768,807
Exploration and evaluation expenditure	-	-

A deferred tax asset has not been recognised in respect of the above tax losses because it is not probable that future taxable profit will be available against which the consolidated entity can utilise the benefit.

d) Movement in recognised temporary differences and tax losses

	30/06/24 $	30/06/23 $
Opening balance	-	-
Recognised in equity	-	-
Recognised in income	-	-
Closing balance	-	-

Tax consolidation

Relevance of tax consolidation to the consolidated entity

The Company and its wholly owned Australian resident entities are in a tax-consolidated group and are therefore taxed as a single entity. The head entity within the tax consolidated group is Andromeda Metals Limited.

Nature of tax funding arrangement

Entities within the tax-consolidated group have entered into a tax funding arrangement with the head entity. Under the terms of the tax funding arrangement, Andromeda Metals Limited and its wholly owned Australian resident entities have agreed to pay a tax equivalent payment to or from the head entity, based on the current tax liability or current tax asset of the entity. Such amounts are reflected in amounts receivable from or payable to other entities in the-consolidated group.

6 CASH AND CASH EQUIVALENTS

	30/06/24 $	30/06/23 $
Cash at bank	5,436,262	5,300,890
Cash on deposit (i)	-	10,000,000
	5,436,262	15,300,890

(i) Term Deposits with maturity of 3 months or less at varying interest rates in excess of cash at bank rates.

7 CURRENT TRADE AND OTHER RECEIVABLES

	30/06/24 $	30/06/23 $
Interest receivable	4,168	86,998
Government grant receivable	354,422	2,401,143
Prepaid expenses	256,280	269,362
GST Receivable	87,611	42,413
Other receivables and prepayments	3,660	41,105
	706,141	2,841,021

8 OTHER NON-CURRENT FINANCIAL ASSETS

	30/06/24 $	30/06/23 $
Deposits (Note 22 (e))	226,023	225,857
Equity Investments at fair value through profit & loss (i)	1,708,280	12,250
Environmental bonds	55,000	62,000
	1,989,303	300,107

(i) Shares owned in listed & unlisted companies with fair value based on the quoted share price with fair value recognised in Note 4.

9 EXPLORATION AND EVALUATION ASSETS

	30/06/24 $	30/06/23 $
Costs brought forward	142,124,436	137,367,031
Expenditure incurred during the year	4,906,454	7,372,212
Government grants received / receivable	(1,579,626)	(370,220)
	145,451,264	144,369,023
Impairment of exploration and evaluation expenditure assets		
Expenditure impaired (i)	(853,792)	(672,213)
Expenditure written off (ii)	(10,180)	(72,374)
Transfer to assets held for sale- refer note 9(a)	(600,152)	(1,500,000)
	(1,464,124)	(2,244,587)
	143,987,140	142,124,436

(i) Impairment

Impairment of specific exploration and evaluation assets during the year have occurred where Directors have concluded that capitalised expenditure is unlikely to be recovered by sale or future exploitation. At each reporting date the group undertakes an assessment of the carrying amount of its exploration and evaluation assets.

During the year indicators of impairment were identified on certain exploration and evaluation assets in accordance with AASB 6 Exploration for and Evaluation of Mineral Resources. The identified impairment relates to the tenements that are going through a sale process and the carrying value has been written down to the expected sale proceeds.

As a result of this review, an impairment loss of $853,792 (2023: $672,213) has been recognised in relation to areas of interest where the Directors have concluded that the capitalised expenditure is written down to its estimated recoverable or sale value.

(ii) Expenditure written off relates to exploration and evaluation expenditure associated with tenements or parts of tenements that have been surrendered, or exploration to identify new exploration targets where no tenure is currently held by the Company.

The recoverability of the carrying value of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

9a ASSETS HELD FOR SALE

	30/06/24 $	30/06/23 $
Exploration and evaluation assets	-	1,750,000

Selected exploration & evaluation assets were actively marketed with sales finalised prior to 30 June 2024. The associated exploration asset has been written down to the expected value of the sales proceeds. The excess carrying value of the exploration asset has been impaired prior to the asset being reclassified into assets held for sale.

10 PROPERTY, PLANT AND EQUIPMENT

	LAND & BUILDINGS	PLANT & EQUIPMENT	WORK IN PROGRESS	MOTOR VEHICLES	FURNITURE & FITTINGS	OFFICE & IT EQUIPMENT	LEASEHOLD IMPROVEMENT	RIGHT OF USE ASSETS	TOTAL
2023/24									
Gross carrying amount									
Opening balance	736,180	482,254	722,829	4,792	111,308	195,999	84,104	1,024,572	3,362,038
Additions	969,781	22,540	2,500,404	126,359	-	7,742	-	99,120	3,725,947
Transfers	-	-	-	-	-	-	-	-	-
Balance 30 June 2024	1,705,961	504,794	3,223,233	131,151	111,308	203,741	84,104	1,123,693	7,087,985
Accumulated depreciation									
Opening balance	(31,930)	(137,572)	-	(4,473)	(32,712)	(126,154)	(20,886)	(294,274)	(648,001)
Depreciation	(16,931)	(117,923)	-	(11,983)	(22,403)	(42,683)	(16,821)	(262,072)	(490,815)
Balance 30 June 2023	(48,861)	(255,494)	-	(16,455)	(55,115)	(168,837)	(37,707)	(556,347)	(1,138,816)
Net Book Value 30 June 2024	1,657,100	249,300	3,223,233	114,696	56,193	34,904	46,397	567,346	5,949,169
2022/23									
Gross carrying amount									
Opening balance	736,180	445,824	92,172	4,792	18,263	165,560	-	894,807	2,357,598
Additions	-	141,862	702,374	-	-	30,439	-	129,765	1,004,440
Transfers	-	(105,432)	(71,717)	-	93,045	-	84,104	-	-
Balance 30 June 2023	736,180	482,254	722,829	4,792	111,308	195,999	84,104	1,024,572	3,362,038
Accumulated depreciation									
Opening balance	(15,026)	(48,826)	-	(4,209)	(5,798)	(80,735)	-	(68,685)	(223,279)
Depreciation	(16,904)	(88,746)	-	(264)	(26,914)	(45,419)	(20,886)	(225,589)	(424,722)
Balance 30 June 2023	(31,930)	(137,572)	-	(4,473)	(32,712)	(126,154)	(20,886)	(294,274)	(648,001)
Net book value 30 June 2023	704,250	344,682	722,829	319	78,596	69,845	63,218	730,298	2,714,037

10 PROPERTY, PLANT AND EQUIPMENT continued

The Group has three leases, one for office premises, one for property, and the other for equipment. The average lease term is 1.75 years (2023: 2.75 years).

	30/06/24 $	30/06/23 $
Amount recognised in profit or loss		
Depreciation expense on right-to-use assets	262,072	225,589
Interest expense on lease liabilities	21,057	27,374
Expense relating to short term leases	56,998	65,746

The total cash outflow for leases amounts to $247,601 (2023: $224,381).

11 CURRENT LIABILITIES – TRADE AND OTHER PAYABLES

	30/06/24 $	30/06/23 $
Trade payables and accruals (i)	2,250,227	1,730,341
	2,250,227	1,730,341

(i) Trade payables and accruals principally comprise amounts outstanding for trade purchases in relation to exploration activities and ongoing costs. The average credit period taken for trade purchases is 30 days. No interest is charged on the trade payables. The Group has financial risk management policies in place to ensure that all payables are paid within the agreed credit terms.

12 CURRENT LIABILITIES – PROVISIONS

	30/06/24 $	30/06/23 $
Employee benefits – annual leave	251,112	309,710
	251,112	309,710
Movement in employee benefits		
Balance at the beginning of the year	309,711	185,337
Leave accrued	328,697	347,107
Leave taken	(387,296)	(222,733)
Closing value	251,112	309,711

13 LEASE LIABILITIES

	30/06/24 $	30/06/23 $
Maturity analysis:		
Year 1	231,688	221,161
Year 2	223,680	218,679
Year 3	152,316	196,764
Year 4	-	134,372
Year 5	-	-
	607,684	770,976
Less unearned interest	(26,349)	(43,860)
Closing value	581,335	727,116
Analysed as:		
Current	215,898	200,576
Non-current	365,437	526,540
	581,335	727,116

The Group does not face a significant liquidity risk with regards to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

14 NON-CURRENT LIABILITIES – PROVISIONS

	30/06/24 $	30/06/23 $
Employee benefits – long service leave	54,407	51,480
Make good provision	55,000	55,000
	109,407	106,480

15 ISSUED CAPITAL

	30/06/24 $	30/06/23 $
3,110,270,932 fully paid ordinary shares (2023: 3,110,270,932)	219,934,341	219,934,341
2,107,500 treasury stock (2023: 2,107,500)	(52,221)	(52,221)
	219,882,120	219,882,120

Movement in issued shares for the year:

	NUMBER	YEAR ENDED 30/06/24 $	NUMBER	YEAR ENDED 30/06/23 $
Fully paid ordinary shares				
Balance at beginning of financial year	3,110,270,932	219,934,341	3,108,008,432	219,302,341
Conversion of Performance Rights	-	-	2,262,500	632,000
Balance at end of financial year	3,110,270,932	219,934,341	3,110,270,932	219,934,341
Treasury stock				
Balance at beginning of financial year	(2,107,500)	(52,221)	(2,107,500)	(52,221)
Balance at end of financial year	(2,107,500)	(52,221)	(2,107,500)	(52,221)
Total issued capital	3,108,163,432	219,882,120	3,108,163,432	219,882,120

Fully paid shares carry one vote per share and carry the right to dividends.

i) Represents the value of shares at the date of issue. Details of the acquisition are disclosed in Note 29 below.

Financial year ended 30 June 2024
There were no shares issued as part of a capital raising during the year.

Financial year ended 30 June 2023
There were no shares issued as part of a capital raising during the year.

Share options on issue

	OPENING AS AT 30/6/23	ISSUED	EXERCISED	FORFEITED	LAPSED	CLOSING AS AT 30/6/24
Unlisted options (i)	20,000,000	–	–	–	(20,000,000)	–
Unlisted options (ii)	4,760,000	–	–	(3,110,000)	–	1,650,000
Total	24,760,000	–	–	(3,110,000)	(20,000,000)	1,650,000

(i) Issued on 24/12/19 with an exercise price of 7.5 cents and an expiry date of 28/11/23.

(ii) Issued on 3/12/21 and vest 31/12/23 with an exercise price of 23.75 cents and an expiry date of 31/12/25.

Performance rights

	OPENING AS AT 30/6/23	ISSUED	EXERCISED	FORFEITED	LAPSED	CLOSING AS AT 30/6/24
Performance rights (i)	9,557,600	–	–	(106,751)	(9,450,849)	–
Performance rights (ii)	4,779,111	–	–	(30,629)	(4,748,482)	–
Performance rights (iii)	2,760,000	–	–	–	(2,760,000)	–
Performance rights (iv)	1,500,000	–	–	(1,500,000)	–	–
Performance rights (v)	–	22,653,500	–	–	–	22,653,500
Total	18,596,711	22,653,500	–	(1,637,380)	(16,959,331)	22,653,500

(i) Issued on the 26/11/20 expiring on the 26/11/23. The vesting condition is the Commencement of mining at the Great White Deposit (or equivalent deposit).

(ii) Issued on the 26/08/21, with an expiry date of 23/12/23. 67.7% of the Performance Rights to vest upon the commencement of mining and 32.3% of the Performance Rights to vest upon the first shipment of Kaolin product.

(iii) Issued 25/11/21, with an expiry date of 30/6/24. The performance rights will vest and be convertible into fully paid ordinary shares in the Company upon commercial shipment of a refined kaolin product, with the following graduated hurdles:

i. 50,000 tonnes shipped will result in 20% of Performance Rights to vest;
ii. 115,000 tonnes shipped will result in 50% of Performance Rights to vest;
iii. 165,000 tonnes or more shipped will result in 100% of Performance Rights to vest.

(iv) Issued on 2/12/21, with an expiry date of 30/6/24. The performance rights will vest and be convertible into fully paid ordinary shares in the Company upon commercial shipment of a refined kaolin product, with the following graduated hurdles:

i. 50,000 tonnes shipped will result in 20% of Performance Rights to vest;
ii. 115,000 tonnes shipped will result in 50% of Performance Rights to vest;
iii. 165,000 tonnes or more shipped will result in 100% of Performance Rights to vest.

(v) Issued on the 18/03/2024 and expiring on the 31/12/2027. Vesting of the Performance Rights subject to performance conditions based on the Company's total shareholder returns relative to a selected group of ASX-listed peer group companies:

i. RTSR below 50th percentile: 0% of Performance Rights vest
ii. RTSR 50th percentile: 50% of Performance Rights vest
iii. RTSR 75th percentile or above: 100% of Performance Rights vest

16 RESERVES

	30/06/24 $	30/06/23 $
Share option reserve (i)	205,409	4,287,070
NCI acquisition reserve (ii)	926,813	926,813
	1,132,222	5,213,883

(i) The share option reserve arises from the issuance of share options and performance rights to directors, employees and consultants.

(ii) The NCI acquisition reserve represents the incremental increase (or decrease) in the Andromeda share price on the acquisition of non-controlling interests post the date control was obtained. This reserve relates to the acquisition of Minotaur Exploration Limited.

17. LOAN FUNDED EMPLOYEE SHARE PLAN

The Loan Funded Employee Share Plan (LFESP) is an ownership-based compensation plan for executives, employees and consultants established in November 2015.

At 30 June 2024 the number of shares granted to executives and employees was nil and the amount held by the trustee of the LFESP was 2,107,500 that are available to be issued to executives and employees. During the year no shares were transferred to executives and employees through the settlement of their respective interest-free loans.

No shares have been issued under the plan since May 2018 and the Group does not intend to issue anything further under this plan.

18. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of Andromeda Metals Limited during the year were:

S A Higgins (Non-executive Director) – Commenced 21 February 2024 (Executive Chair from 11 September 2024)

M Wilkes (Non-executive Director, previously Non-executive Chair up to 11 September 2024)

A Perrin (Non-executive Director)

M Holzberger (Non-executive Director) – Resigned 2 February 2024

S Clarke (currently acting CEO) – was appointed as Company Secretary and General Counsel on 9 January 2023 and following a review of the Company's organisational structure has been considered a KMP since November 2023

R Katsiouleris (CEO & Managing Director) - Commenced 1 April 2023, Resigned 31 July 2024

J E Marsh (Executive Director - Sales & Marketing) – Departed 17 November 2023

J F Ranford (Chief Operating Officer)

P Alexander-Bossy (Chief Financial Officer) – Commenced 20 November 2023

T Anderson (Chief Commercial Officer) – Departed 17 November 2023

The aggregate compensation of Key Management Personnel of the Group is set out below:

	YEAR ENDED 30/06/24 $	YEAR ENDED 30/06/23 $
Short-term employee benefits	2,027,341	2,084,592
Other non-cash benefits	22,456	36,799
Superannuation	139,902	118,450
Incentives	-	374,606
Terminations	337,912	-
Post-employment benefits	(23,512)	46,549
Share-based payments (i)	(104,196)	(449,663)
	2,399,903	2,211,331

(i) Share based payments do not represent cash payments to key management personnel and the related shares may or may not ultimately vest.

19 REMUNERATION OF AUDITORS

	30/06/24 $	30/06/23 $
Deloitte and related network firms*		
Audit or review of financial reports		
Andromeda Group	141,681	154,721
Grant Thornton and related network firms		
Audit or review of financial reports		
Minotaur Exploration Limited	-	15,000
	141,681	169,721

* The auditor of Andromeda Metals Limited is Deloitte Touche Tohmatsu, and were not engaged to perform any non-audit services for FY23 or FY24.

20 RELATED PARTY DISCLOSURES

a) Equity interests in related parties

Equity interests in subsidiaries

Details of the percentage of ordinary shares held in subsidiaries are disclosed in Note 26 to the financial statements.

Interests in joint arrangements

Details of interests in joint arrangements are disclosed in Note 21 to the financial statements.

b) Key management personnel compensation

Details of key management personnel compensation are disclosed in Note 18.

c) Transactions with key management personnel

Other than as disclosed in Note 18 and Note 20(b), there were no transactions with key management personnel or their personally related entities during the year ended 30 June 2024 (2023: Nil).

21 THIRD PARTY INTERESTS

The Group had interests in unincorporated joint arrangements at 30 June 2024 as follows:

	PERCENTAGE INTEREST 2024	PERCENTAGE INTEREST 2023
Eyre Kaolin Joint Venture (note i)	-	-
Wudinna Gold Joint Venture (note ii) – Gold Exploration	-	25%
Moonta Copper ISR Joint Venture (note iii) – Copper in-situ recovery	-	100%
Moonta Porphyry Joint Venture (note iv) – Copper/Gold Exploration	-	90%

(i) The Heads of Agreement (HOA) with private entity Peninsula Exploration Pty Ltd (Peninsula) to form the Eyre Kaolin Project Joint Venture (EKJV) was announced 12 August 2021. Under the terms of the agreement the Company is to sole fund $140,000 (exclusive of tenement rents) on the Project tenements within 12 months of commencement of the EKJV which was 13 September 2021. Stage 1 expenditure obligation by Andromeda of $750,000 (exclusive of tenement rents and which is inclusive of the minimum expenditure requirement) within 3 years of commencement to earn a 51% interest in the EKJV (Stage 1 commitment). Andromeda can elect to sole fund an additional $2 million over a further 3 years on meeting Stage 1 to earn an additional 29% interest, taking its overall interest in the EKJV to 80% (Stage 2 commitment). During the year an Exploration Target at the Chairlift Prospect was identified 23 holes were drilled. From this drilling, the Company continues to await the full results of the samples that were submitted for processing and analysis. On 15 July 2024, the Company announced it had satisfied the Stage 1 commitment to earn a 51% interest in the EKJV.

(ii) Under the terms of the Wudinna Farm-in and Joint Venture Agreement, Lady Alice Mines Pty Ltd (LAM) was required to spend $2,100,000 by 30 October 2020 on exploration activities across tenements comprising the Company's Eyre Peninsula Gold Project to earn a 50% equity interest in the Project. The Company granted an extension to 31 December 2020 for the completion of the Stage 1 expenditure following a request from LAM due to logistical issues associated with COVID-19, which was met. On 8 February 2022 the Company announced that LAM had given notice that it had met Stage 2 of the earn in having spent an additional $1,650,000, increasing its equity to 65%. On 1 December 2022, LAM advised that they had achieved their Stage 3 expenditure commitment to earn 75% of the project. In November 2023, Peninsula Resources Pty Ltd entered into a Subdivision and Sale Agreement with Cobra Resources Plc and Lady Alice Mines Pty Ltd as trustee for the Lady Alice Mines Unit Trust and at completion of the sale of the remaining 25% interest (which occurred on 22 April 2024), the Wudinna Farm-in and Joint Venture Agreement terminated.

(iii) The Moonta Copper ISR Mining Farm-in and Joint Venture Agreement was entered into on 19 December 2018 with Environmental Metals Recovery Pty Ltd (EMR) to progress the potential to recover copper via in-situ leach recover technique across the northern part of the Company's Moonta tenement in South Australia. This was terminated when the Tenement Sale and Purchase Agreement was entered into between Peninsula Resources Pty Ltd, EMR and EnviroCopper Limited (parent company of EMR), where EMR agreed to purchase the whole EL 5984 by subdivision or sale.

(iv) The Moonta Porphyry Joint Venture was established under a Heads of Agreement dated 12 February 1996 (HoA). Peninsula assigned its rights under the HoA (including the 90% joint venture interest and the option to purchase the remaining 10% interest) to EMR by way of Deed of Assignment, Assumption and Waiver dated 24 January 2024 and it no longer holds any interest in the Moonta Porphyry Joint Venture.

The amount included in mining tenements, exploration, and evaluation (Note 9) includes $741,643 (2023: $1,435,434) relating to the above joint arrangements.

22. COMMITMENTS FOR EXPENDITURE AND CONTINGENT LIABILITIES

a) Exploration expenditure commitments

The Group has certain obligations to perform exploration work and expend minimum amounts of money on such works on mineral exploration tenements.

These obligations will vary from time to time, subject to statutory approval. The terms of current and future joint ventures, the grant or relinquishment of licences and changes to licence areas at renewal or expiry, will alter the expenditure commitments of the Company.

Total expenditure commitments at balance date in respect of minimum expenditure requirements not provided for in the financial statements are approximately:

	2024 $	2023 $
Not later than one year	455,000	650,417
Later than one year but not later than two years:	360,000	400,833
Later than two years but not later than five years:	1,185,000	1,116,250

b) Research and development

The Group has commitments to fund research partnerships.

Total expenditure commitments at balance date in respect of the research funding not provided for in the financial statements are approximately:

	2024 $	2023 $
Not later than one year	197,310	605,000
Later than one year but not later than two years:	-	380,000
Later than two years but not later than five years:	-	142,500

Research and development projects have been determined to be Adjacent opportunities as part of the Strategic Review, conducted as part of a revised Commercial Strategy.

c) **Capital expenditure**

The Group has committed to purchase a number of long lead time capital items in order to build the processing plant at the Great White Project.

Total expenditure commitments at balance date in respect of the capital expenditure not provided for in the financial statements are approximately:

	2024 $	2023 $
Not later than one year	1,773,082	2,607,070
Later than one year but not later than two years:	-	-
Later than two years but not later than five years:	-	-

d) **Service agreements**

Details of the current services and consultancy agreements are set out below:

2024

There were no applicable service agreements for 2024.

2023

KEY MANAGEMENT PERSONNEL	TERMS
J F Ranford	Monthly rate of $30,000 for 3 days week

Mr Ranford entered into an employment agreement on 20 October 2022 and the above service agreement is no longer in effect.

e) **Bank guarantees**

The Group has provided restricted cash deposits of $226,023 as security for the following unconditional irrevocable bank guarantees:

- Environment bonds of $10,273 (2023: $10,107) to the Minister for Mineral Resources Department, South Australia,
- A cash deposit of $90,225 (2023: $90,225) to secure a credit card facility,
- A rent guarantee of $125,525 (2023: $125,525) to the landlord of the Company's leased office premises.

23. FINANCIAL INSTRUMENTS

Capital risk management

The Group aims to manage its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of cash and cash equivalents, and equity attributable to equity holders of the parent, comprising issued capital, reserves and accumulated losses.

Due to the nature of the Group's activities (exploration) the directors believe that the most advantageous way to fund activities is through equity and strategic joint venture arrangements. The Group's exploration activities are monitored to ensure that adequate funds are available.

Categories of financial instruments

	2024 $	2023 $
Financial assets		
Cash and cash equivalents	5,436,262	15,300,890
Trade and other receivables	706,141	2,841,021
Equity investments	1,708,280	12,250
Deposits	226,023	225,857
Environmental bonds	55,000	62,000
Financial liabilities		
Trade and other payables	2,250,227	1,730,341
Lease liabilities	581,335	727,116

Interest rate risk management

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period.

At reporting date, if interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's net profit would increase by $52,522 and decrease by $52,522 (2023: increase by $116,779 and decrease by $105,446). This is mainly attributable to interest rates on bank deposits.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from activities.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves.

Liquidity and interest risk tables

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE %	LESS THAN ONE YEAR $	ONE TO TWO YEARS $	TWO TO THREE YEARS $	THREE TO FOUR YEARS $	FOUR TO FIVE YEARS $
2024						
Non-interest bearing	-	2,250,227	-	-	-	-
Interest bearing	3.24%	231,688	223,680	152,316	-	-
2023						
Non-interest bearing	-	1,730,341	-	-	-	-
Interest bearing	3.23%	200,576	204,712	189,079	132,749	-

Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

- Level 1: the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets for identical assets or liabilities are determined with reference to quoted market prices.
- Level 2: the fair value of other financial assets and financial liabilities (excluding derivative instruments), that are not traded in an active market, are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions.
- Level 3: where one or more significant inputs is not based on observable market data, the instrument is included in level 3. This includes unlisted equity securities.

	LEVEL 1 $	LEVEL 2 $	LEVEL 3 $	TOTAL $
Financial assets				
Equity investments - listed	1,158,128	-	-	1,158,128
Equity investments - unlisted	-	-	550,152	550,152

The fair value of listed equity investments, where traded on an active liquid market, have been determined based on the quoted market price of the equity security, and where appropriate, revalued at the appropriate exchange rate at the reporting date. These assets have been categorised as Level 1.

The fair value of unlisted equity securities is based on existing inputs with consideration given to any information that may impact those inputs and the associated valuation. These assets have been categorised as Level 3.

24 SEGMENT INFORMATION

The Group's focus is on developing its Kaolin Halloysite assets, including the Great White Project and associated technologies. The decision to allocate resources to other projects in which the Group has an interest is predominantly based on available cash reserves, technical data and the expectations of future commodity prices. This is the basis on which internal reports are provided to the directors for assessing performance and determining the allocation of resources within the Group. Overall, the Group has a number of exploration licenses in Australia which are managed on a portfolio basis. Accordingly, the Group effectively operates as one segment, being exploration in Australia.

25 EARNINGS PER SHARE

	YEAR ENDED 30/06/24 CENTS PER SHARE	YEAR ENDED 30/06/23 CENTS PER SHARE
Basic earnings per share – Profit / (loss)	(0.23)	(0.30)
Diluted earnings per share – Profit / (loss)	(0.23)	(0.30)

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	$	$
– Earnings	(7,269,156)	(9,461,246)

	NUMBER	NUMBER
– Weighted average number of ordinary shares	3,110,270,932	3,109,993,603

Diluted earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of diluted earnings per share are as follows:

	$	$
– Earnings	(7,269,156)	(9,461,246)

	NUMBER	NUMBER
– Weighted average number of ordinary shares	3,110,270,932	3,109,993,603

The following potential ordinary shares are anti-dilutive and are therefore excluded from the weighted average number of ordinary shares for the purposes of diluted profit / (loss) per share:

	YEAR ENDED 30/06/24 NUMBER	YEAR ENDED 30/06/23 NUMBER
– Listed share options	-	-
– Unlisted share options	1,650,000	24,760,000
– Treasury shares	2,107,500	2,107,500
	3,757,500	26,867,500

26 CONTROLLED ENTITIES

NAME OF ENTITY		COUNTRY OF INCORPORATION	OWNERSHIP INTEREST 2024 %	OWNERSHIP INTEREST 2023 %
Parent entity				
Andromeda Metals Limited	(i)	Australia	100%	100%
Subsidiaries				
Adelaide Exploration Pty Ltd	(ii)	Australia	0%	100%
Peninsula Resources Pty Ltd	(ii)	Australia	100%	100%
ADN LFESP Pty Ltd	(ii) (iii)	Australia	100%	100%
Mylo Gold Pty Ltd	(ii)	Australia	100%	100%
Frontier Exploration Pty Ltd	(ii)	Australia	100%	100%
Andromeda Industrial Minerals Pty Ltd	(ii)	Australia	100%	100%
Andromeda Green Technologies	(ii)	Australia	100%	100%
Andromeda IP Pty Ltd	(ii)	Australia	100%	100%
Andromeda Base Metals Holdings Pty Ltd	(ii)	Australia	100%	100%
Andromeda Industrial Minerals Holdings Pty Ltd	(ii)	Australia	100%	100%
Andromeda Technologies Holdings Pty Ltd	(ii)	Australia	100%	100%
Andromeda Industrial Minerals NZ Pty Ltd	(ii)	Australia	100%	100%
Camel Lake Halloysite Pty Ltd	(ii)	Australia	100%	100%
Eyre Kaolin Pty Ltd	(ii)	Australia	100%	100%
Great White Industrial Minerals Holdings Pty Ltd	(ii)	Australia	100%	100%
Minotaur Exploration Pty Ltd	(ii)	Australia	100%	100%
Minotaur Industrial Minerals Pty Ltd	(ii)	Australia	100%	100%
Great Southern Kaolin Pty Ltd	(ii)	Australia	100%	100%
Natural Nanotech Pty Ltd	(ii)	Australia	100%	100%

(i) Head entity in tax consolidated group

(ii) Members of tax consolidated group

(iii) The Company acts as the trustee to the Loan Funded Employee Share Plan.

27 PARENT ENTITY DISCLOSURES

FINANCIAL POSITION	30/06/24 $	30/06/23 $
Assets		
Current assets	6,138,985	18,138,405
Non-current assets	151,929,031	146,892,086
Total assets	158,068,016	165,030,491
Liabilities		
Current liabilities	2,717,238	2,240,628
Non-current liabilities	474,843	633,020
Total liabilities	3,192,081	2,873,648
Equity		
Issued capital	219,882,119	219,882,119
Reserves	210,409	4,292,071
Accumulated profits/(losses)	(65,216,594)	(62,017,347)
Total equity	154,875,934	162,156,843

	YEAR ENDED 30/06/24 $	YEAR ENDED 30/06/23
Financial performance		
Profit / (loss) for the year	(6,527,209)	(9,228,922)
Other comprehensive income	-	-
Total comprehensive income /(loss)	(6,527,209)	(9,228,922)

Commitment for expenditure and contingent liabilities of the parent entity

Note 22 to the financial statements disclose the Group's commitments for expenditure and contingent liabilities. Of the items disclosed in that note the following relate to the parent entity:

- service agreements
- bank guarantees

28 SUBSEQUENT EVENTS

On 15 July 2024, the Company announced it has earned a 51% interest in the Eyre Kaolin Joint Venture (EKJV). Andromeda has met the requirements of the Stage 1 earn in having expended $750,000 conducting exploration and evaluation activities within the initial three-year timeframe, as required by the agreement with Peninsula Exploration Pty Ltd. The tenements are located in close proximity to the Great White Project and include kaolin prospects with properties complementary to those at GWP.

On 17 July 2024, the Company announced the signing of a Binding Offtake agreement with Traxys Europe S.A for the sale and purchase of Andromeda's kaolin products for the first 5 years of production. The Agreement includes Great White CRM™ purchases for up to 50% of total production for sale into ceramic applications and Great White HRM™ purchases of 5,000-10,000 wmt p.a for sale into concrete applications. The Agreement secures the binding offtake commitments to support the expanded Stage 1A+ production and further progress towards a final investment decision.

As previously announced on the 1 May 2024, Bob Katsiouleris, Andromeda's Chief Executive Officer and Managing Director stood down from the role and returned to Europe for family reasons on the 31 July 2024. Subsequently, Luke Anderson was appointed as Chief Executive Officer and Managing Director commencing in the role on the 1 August 2024.

On 21 August 2024, Andromeda launched a Placement and Entitlement Offer to raise up to $6.5 million. This included a Share Placement of $3.4 million, before costs, with new sophisticated and institutional investors at $0.012 per New Share that was successfully completed. Additionally, a pro-rata Non-renounceable Entitlement Offer of 1 for 13 to Eligible Shareholders at $0.012 per New Share to raise up to approximately $3.1m before costs is being undertaken. Each New Share allocated under the Placement and Entitlement Offer will have a free attaching option, exercisable at $0.0175 for a fully paid ordinary share , expiring 30 September 2027. 20 million options on the same terms will also be issued to the joint lead managers to the Placement and Entitlement Offer (or their nominees).

Mr Anderson resigned from the Chief Executive Officer and Managing Director position on 11 September 2024 as the current state of his health was incompatible with the needs of the Company and its shareholders. As a result, Sue-Ann Higgins assumed the role of Executive Chair and Sarah Clarke was appointed Acting CEO, until a suitable replacement is found. As part of the Board changes, Mick Wilkes moved from his role as Non-executive Chair but remained on the Board as a Non-executive Director to assist the Company with financing discussions for the Great White Project. Mick Wilkes has elected to not claim any director fees from July 2024 until the Final Investment Decision (FID) for Stage 1A+ of the GWP is made by the Board/ Sue-Ann Higgins has elected to receive $160,000 pa in Director Fee as Chair, reduced from the $200,000 paid previously.

On 11 September 2024, the Group announced that to support its funding effort, Pareto Securities has been mandated to assist in potentially accessing global bond markets or markets for other debt instruments and Azure Capital has been appointed to run a process to secure a cornerstone equity investment.

There were no other matters or circumstances occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

26 Subject to shareholder approval at the General Meeting to be held on 10 October 2024.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

As at 30 June 2024

NAME OF ENTITY	ENTITY TYPE	BODY CORPORATES		TAX RESIDENCY	
		PLACE FORMED OR INCORPORATED	% OF SHARE CAPITAL HELD	AUSTRALIAN OR FOREIGN	FOREIGN JURISDICTION
Parent entity					
Andromeda Metals Limited	Body Corporate	Australia	N/A	Australian	N/A
Subsidiaries					
ADN LFESP Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
Andromeda Base Metals Holdings Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
Andromeda Green Technologies Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
Andromeda Industrial Minerals Holdings Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
Andromeda Industrial Minerals NZ Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
Andromeda Industrial Minerals Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
Andromeda IP Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
Andromeda Technologies Holdings Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
Camel Lake Halloysite Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
Eyre Kaolin Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
Frontier Exploration Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
Great Southern Kaolin Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
Great White Industrial Minerals Holdings Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
Minotaur Exploration Limited	Body Corporate	Australia	100%	Australian	N/A
Minotaur Industrial Minerals Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
Mylo Gold Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
Natural Nanotech Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
Peninsula Resources Pty Ltd	Body Corporate	Australia	100%	Australian	N/A

Directors' Declaration

1 In the opinion of the directors of Andromeda Metals Limited (the **Company**):

a) the consolidated financial statements and notes, that are contained in pages 68 to 104 and the Remuneration Report, set out in pages 50 to 66, are in accordance with the Corporations Act 2001, including:

i) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and

ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

b) subject to the matters disclosed in Note (3) Going Concern, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable,

c) the consolidated entity disclosure statement required by section 295(3A) of the Corporations Act is true and correct.

2 The directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Acting CEO and Chief Financial Officer, for the financial year ended 30 June 2024.

3 The directors draw attention to note (3) to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the direct

Sue-Ann Higgins
Executive Chair

Austin Perrin
Non-executive Director

Adelaide, South Australia

30 September 2024

Deloitte Touche Tohmatsu
ABN 74 490 121 060
11 Waymouth Street
Adelaide, SA, 5000
Australia

Tel: +61 8 8407 7000
www.deloitte.com.au

Independent Auditor's Report to the members of Andromeda Metals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Andromeda Metals Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, the directors' declaration and the Consolidated Entity Disclosure Statement.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 3 in the financial report which indicates that the Group incurred net losses of $7,269,156, experienced net cash outflows from operating activities of $5,052,383 and net cash outflows from investing activities of $4,564,644 for the year end 30 June 2024. As stated in Note 3, these events or conditions, along with other matters as set forth in Note 3, indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern. Our opinion is not modified in respect of the matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Deloitte.

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter

As at 30 June 2024, the carrying value of exploration and evaluation assets amounts to $143,987,140 including additions of $4,906,454 as disclosed in Note 9.
 	
Significant judgement is applied in determining the treatment of exploration and evaluation expenditure including:
 	
• treatment of exploration and evaluation expenditure during the year;
    o whether the conditions for capitalisation are satisfied;
    o which elements of exploration and evaluation expenditure qualify for capitalisation; and
    o whether the costs associated with exploration and evaluation expenditure is complete.
• whether the carrying value of exploration and evaluation assets is recoverable;
    o the Group's intention and ability to proceed with a future work program;
    o the likelihood of license renewal or extension; and
    o the expected or actual success of resource evaluation and analysis.
• the classification of assets as Exploration & Evaluation Assets or Development Assets.
	Our procedures associated with exploration and evaluation expenditure incurred during the year included, but were not limited to:
	
	• obtaining an understanding of the Group's key controls over the capitalisation or expensing of exploration and evaluation expenditure; and
	• testing, on a sample basis, exploration and evaluation expenditure to confirm the nature of the costs incurred, and the appropriateness of the classification between asset and expense; and
	• assessing the completeness of costs capitalised.
	
	Our procedures associated with the carrying value of exploration and evaluation assets included, but were not limited to:
	
	• obtaining an understanding of the Group's key controls relating to the identification of indicators of impairment;
	• evaluating management's impairment indicator assessment, including consideration as to whether any events exist at the reporting date which may indicate that exploration and evaluation assets may not be recoverable:
	    o obtaining a schedule of the area of interest held by the Group and confirming whether the rights to tenure of that area of interest remained current at balance date. This included confirming that an active renewal application had been lodged where a licence had expired; and
	    o holding discussions with management as to the status of ongoing exploration programs in the respective area of interest; and
	    o assessing whether any facts or circumstances existed to suggest impairment testing was required.
	
	Our procedures associated with the classification of Exploration & Evaluation Assets included, but were not limited to:
	
	• holding discussions with management in relation to any commitments;
	• review of board minutes and contracts to assess whether these would indicate that a final investment decision has been made; and
	• performing subsequent events procedures to identify if any final investment decision has been made after the reporting date.
	
	We also assessed the adequacy of the disclosures in Note 3 and 9 to the financial statements.

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Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible:

- For the preparation of the financial report in accordance with the Corporations Act 2001, including giving a true and fair view of the financial position and performance of the Group in accordance with Australian Accounting Standards; and
- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the Corporations Act 2001, including giving a true and fair view of the financial position and performance of the Group, and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 50 to 66 of the Directors' Report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Andromeda Metals Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Darren Hall
Partner
Chartered Accountants

Adelaide, 30 September 2024

Shareholder information

as at 20 September 2024

DISTRIBUTION AND NUMBER OF SHAREHOLDERS

RANGE	TOTAL HOLDERS	UNITS	% UNITS
1 – 1,000	457	92,588	0.00
1,001 – 5,000	1,773	5,468,535	0.16
5,001 – 10,000	1,634	12,876,639	0.38
10,001 – 100,000	5,540	219,339,744	6.46
100,001 Over	3,445	3,155,826,770	92.99
Rounding			0.01
Total	12,849	3,393,604,276	100.00

	NUMBER OF HOLDERS	NUMBER OF UNITS
Unmarketable parcels	8,572	163,307,757

TOP 20 SHAREHOLDERS

RANK	NAME	UNITS	% UNITS
1	BURATU PTY LTD <CONNOLLY SUPER FUND A/C>	122,506,000	3.61
2	CITICORP NOMINEES PTY LIMITED	47,440,990	1.40
3	MR ADONIS KIRITSOPOULOS + MS JENNIFER ANNE FORD	37,001,641	1.09
4	LJ & K THOMSON PTY LTD <LJT & KT SUPER FUND A/C>	35,000,000	1.03
5	YARRAANDOO PTY LTD <YARRAANDOO SUPER FUND A/C>	30,407,804	0.90
6	DEBUSCEY PTY LTD	30,000,000	0.88
7	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	28,659,700	0.84
8	FINCLEAR SERVICES PTY LTD <SUPERHERO SECURITIES A/C>	27,575,142	0.81
9	SURPION PTY LTD <M W SUHR & CO A/C>	25,337,615	0.75
10	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	20,983,440	0.62
11	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	20,049,148	0.59
12	MR MURRAY ROBERT BRYANT	19,675,491	0.58
13	MR RYAN VAN DER MERWE	18,394,725	0.54
14	MR ROBERT JOHN CONNOLLY	17,928,264	0.53
15	RADIO FUELS ENERGY CORP	16,666,667	0.49
16	MR STEPHEN GAMBLE	16,500,000	0.49
17	BNP PARIBAS NOMS PTY LTD	15,173,054	0.45
18	MR JAGDISH MANJI VARSANI <PINDORIA FAMILY AC A/C>	15,000,000	0.44
19	MR CRAIG ALEX BARRETT	14,707,880	0.43
20	PENINTERGEN PTY LTD <PENINTERGEN SUPER FUND A/C>	14,100,000	0.42

SUBSTANTIAL SHAREHOLDERS

There are no substantial shareholders in the Company, holding 5% or more of shares on issue.

UNLISTED OPTIONS

There is one holder of unlisted options with an exercise price of $0.2375 and expiring 31/12/2025: 1,650,000.

UNLISTED PERFORMANCE RIGHTS – ISSUED TO DIRECTORS AND EMPLOYEES

There are 10 holders of performance rights with performance hurdles to be achieved by 31/12/2026: 22,653,500.

Glossary

CONTENT	EXPANSION
$ / AUD	All prices are in Australian dollars, unless otherwise stated
$m	Millions of dollars
20XX DFS/BFS	Definitive/bankable feasibility study, with 20XX referring to the year of its completion
Andromeda	Andromeda Metals Limited (ABN 75 061 504 375)
BFS	Bankable feasibility study
Cobra	Cobra Resources PLC
DCSB	District Council of Streaky Bay
DFS	Definitive feasibility study
dmt	Dry metric tonnes
EKJV	Eyre Kaolin Joint Venture (51% owned by Andromeda, with potential to earn-in up to 80%)
ECL	EnviroCopper Limited
EMR	Environmental Metals Recovery Pty Ltd (a subsidiary of EnviroCopper Ltd)
FAT	Factory acceptance testing
FID	Final investment decision
FY24	Financial Year 2024, for the financial year ending 30 June, 2024
FYXX	Financial Year 20XX (with XX denoting the last two digits of the year ending 30 June, 20XX)
Group	Andromeda Metals Limited and its consolidated subsidiaries
GWP	Great White Project (wholly owned by Andromeda)
HPA	High purity alumina
IRR	Internal rate of return
ISO B	ISO brightness, a European standard for measuring brightness
ISR	in-situ recovery
ITC	Institute of Ceramic Technology (ITC), located at the University of Castellón in Spain
JORC	Joint Ore Reserves Committee
JORC Code	The Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves
JVP	Joint venture partners (including Cobra Resources PLC)
kt	Thousand tonnes
LTI	Long-term incentive
Minotaur	Minotaur Exploration Limited
Mt	Million tonnes
NPVX	Net present value, with "X" denoting the discount rate applied
pa	Per annum
PCT	Patent Co-operative Treaty
REE	Rare earth element
Rush	Rush Resources Limited
SBPP	Streaky Bay Pilot Plant
SEB	Significant Environmental Benefit
SGA	Smelter grade alumina
STI	Short-term incentive
tpa	Tonnes per annum
TFR	Total fixed remuneration
TSR	Total shareholder returns
WGP	Wudinna Gold Project
wmt	Wet metric tonnes

Andromeda

Registered and Principal Office

Level 10, 431 King William Street,
Adelaide, South Australia 5000
T: +61 8 7089 0600
E: *ir@andromet.com.au*
WWW: *andromet.com.au*