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12 May 2025

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ASX Announcement

Successful $5 million Placement

Key Highlights:

- **Strong demand, with significant interest from new institutional investors**
- **Allows pre-FID early works to advance the Great White Project**
- **Accelerates advancement of HPA project**

Andromeda Metals Limited (ASX: **ADN**) (**Andromeda**, the **Company**) is pleased to announce that it has successfully undertaken a placement of new fully paid ordinary shares (**Placement**) raising approximately $5 million before costs.

Firm commitments for 384.6 million new fully paid ordinary shares have been received from institutional and sophisticated investors (**New Shares**) at $0.013 per New Share, after the offer was in strong demand, resulting in applications being scaled-back.

The price of $0.013 per New Share, represents a discount of 23.5% to the previous closing price of $0.017 (Wednesday, 7 May 2025). The Placement shares will come within the Company's placement capacity under Listing Rule 7.1.

Placement participants will also receive 3 free attaching options for every 4 New Shares allocated (**New Options**), subject to shareholder approval. Each New Option is exercisable at $0.0195 for a fully paid ordinary share, expiring 2 years from the date of issue and otherwise on the terms set out in Annexure 1. Application will be made for quotation of New Options on ASX. If exercised, these New Options will provide an additional $5.6 million in working capital for the Company.

The Company is pleased by the strong support shown from these new investors and welcomes them as shareholders of the Company.

Funds raised will be used to progress:

- The Great White Project, including early works, advanced plant design and engineering, and technical, financial and legal activities to support the funding process for project development;
- The Company's HPA project, including the Scoping Study and product and market development activities; and
- General working capital and the costs of the Placement.

The placement of New Shares will be issued in accordance with Andromeda's placement capacity under ASX Listing Rule 7.1 and shareholder approval will be sought for the issue of the New Options at a General Meeting (to be scheduled).

Settlement of the Placement is scheduled to occur on Monday 19 May 2025, with issue of the New Shares under the Placement scheduled to occur on Tuesday 20 May 2025. New Options will only be issued after shareholder approval is obtained.

Bell Potter and Canaccord Genuity are Joint Lead Managers to the Placement and are entitled to a fee of 6% on the funds raised, plus the issue of 5,000,000 options on the same terms as the New Options. The broker options will come within the Company's placement capacity under Listing Rule 7.1.

Sarah Clarke, Andromeda's Acting Chief Executive Officer said:

"We have experienced growing interest from a range of new investors seeking to invest in Andromeda, following recent announcements regarding the progress of our development funding process and our HPA breakthrough results.

"The significant interest saw robust demand in this Placement, demonstrating strong investor confidence in Andromeda's future.

"The funds raised from this capital raising will enable us to progress our Great White Project in anticipation of a final investment decision, including advanced plant design and early engineering works for Stage 1A+.

"The funds will also allow us to further progress our HPA project, through the completion of a Scoping Study and product development and marketing activities.

"The strong support for this Placement and the increased investor participation leaves Andromeda well placed to advance the Stage 1A+ project to a final investment decision while also progressing development of the exciting HPA opportunity."

Capital Structure

The capital structure of the Company on successful completion of the Placement is expected to be as follows:

	Number of Shares	Number of Quoted Options	Number of Unquoted Options	Number of Performance Rights
As at the date of this announcement	3,430,700,478	338,440,053 exercisable at $0.0175 and expiry 30 Sep 27	46,071,669	32,791,700
To be issued under the Placement	384,615,385	293,461,539 exercisable at $0.0195 expiring 2 years after issue	Nil	Nil
Total Number on issue after the Placement	3,815,315,863	631,901,591	46,071,669	32,791,700

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Timetable

The indicative timetable for the Placement is as follows:

Event	Date
Placement Announced	Monday 12 May 2025
Settlement of Placement	Monday 19 May 2025
Allotment and Trading of New Shares	Tuesday 20 May 2025
Extraordinary General Meeting	June 2025
Allotment and Trading of New Options (subject to admission to quotation)	Following shareholder approval

Dates and times are indicative only and are subject to change. Any material changes will be notified to ASX. All dates and times are references to AEST, Australia time.

The trading halt can now be lifted.

This announcement has been approved for release by the Board of Andromeda Metals Limited.

For more information about the Company and its projects, please visit our website, www.andromet.com.au or contact:

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FORWARD-LOOKING STATEMENTS

This document contains or may contain certain forward-looking statements and comments about future events, that are based on Andromeda's beliefs, assumptions and expectations and on information currently available to management as at the date of this document. Often, but not always, forward-looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "plan", "believes", "estimate", "anticipate", "outlook", and "guidance", or similar expressions. Such statements are only expectations or beliefs and are subject to inherent risks and uncertainties which could cause actual values, results or performance achievements to differ materially from those expressed or implied in this presentation. Where Andromeda expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and on a reasonable basis. No representation or warranty, express or implied, is made by Andromeda that the matters stated in this presentation will in fact be achieved or prove to be correct. Except as required by law, Andromeda undertakes no obligation to provide any additional or updated information or update any forward-looking statements, whether on a result of new information, future events, results or otherwise. Readers are cautioned against placing undue reliance on forward-looking statements. These forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of Andromeda, the directors, and management of Andromeda.

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Annexure 1 – Option Terms

The New Options (including the options to be issued to the brokers) are all in the same class and will be issued on the following terms and conditions:

(a) **Entitlement**

Each Option entitles the holder to acquire by way of issue one Share on exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (h) below, the exercise price of the Options will be $0.0195 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5.00pm (AEST) 2 years after the date of issue. An Option not exercised by the Expiry Date will automatically lapse at that time at that time.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the applicable Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

A minimum of 100,000 Options may be exercised under each Notice of Exercise. If a Shareholder holds less than 100,000 Options, all of the Options held by them must be exercised in one Notice of Exercise.

(f) **Timing of issue of Shares on exercise**

As soon as practicable after the Exercise Date, the Company will:

(i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and

(ii) if admitted to the Official List at the time, apply for official quotation on ASX of Shares issued on the exercise of the Options.

(g) **Shares issued on exercise**

Shares issued on exercise of the Options will rank equally in all respects with the then issued Shares.

(h) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a holder of Options are to be changed in a manner consistent with the Corporations Act, the ASX Listing Rules and any other applicable laws or regulations at the time of the reconstruction.

(i) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options and unless Shares have been issued in respect of the Options before the record date for determining entitlements to the issue.

(j) **Change in Exercise Price**

There will be no change to the applicable Exercise Price of an Option or the number of Shares over which an Option is exercisable in the event of the Company making a pro rata issue of Shares or other securities to the holders of Shares (other than for a Bonus Issue).

(k) **Bonus issue**

If before the expiry of any Options, the Company makes a pro rata issue of Shares to Shareholders for no consideration (**Bonus Issue**), the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would

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have received if the Option had been exercised before the record date for the Bonus Issue.

(l) **Transferability**

The Options are transferable and application will be made for quotation on ASX.

(m) **Voting**

Holders of Options have no voting rights until the Options are exercised and Shares issued on exercise of those Options in accordance with the ASX Listing Rules.

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