Andromeda Metals Limited ASX: ADN

ASX Announcement

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Andromeda Signs Strategic HPA Supply HOA with Traxys Supporting US Critical Minerals Supply Chain Initiative

Key Highlights

- Non-binding HOA signed with Traxys North America to support Andromeda's entry into the US HPA market
- Potential five-year sales agency agreement targeting 2,000tpa of HPA, representing indicative annual sales of approximately US$40 million[1]
- Positions Andromeda to access growing demand across semiconductors, batteries, AI infrastructure and defence applications
- Further advances Andromeda's HPA commercialisation pathway

Andromeda Metals Limited (ASX: **ADN**) (**Andromeda**, the **Company**) is pleased to announce it has signed a non-binding Heads of Agreement (**HOA**) with Traxys North America, LLC (**Traxys**) to advance a strategic pathway for the supply of high purity alumina (**HPA**) into the United States.

The HOA establishes the framework for negotiating a potential five-year sales agency agreement, targeting an indicative sales volume of 2,000 tonnes of HPA per annum to the United States. Based on indicative pricing of US$20,000 per tonne, this equates to a potential annual sales of approximately US$40 million[1], with final pricing to be determined based on market conditions at the time of industrial production.

Traxys is a leading global commodity trader and supply chain manager and has been appointed under the US Government's Project Vault initiative to support critical minerals procurement in the US.

Strategic alignment with Project Vault and US critical mineral demand

The collaboration builds on Andromeda's existing relationship with Traxys.

A sales strategy targeting the US market also aligns with the US Government's Project Vault initiative, launched in February 2026, which aims to establish a US $12 billion Strategic Critical Minerals Reserve to strengthen supply chain security for American manufacturers and reduce reliance on China-dominated critical minerals supply chains.

[1] This assumes the average market pricing adopted in the Company's 2025 Scoping Study, which was based on market analysis at the time (refer ASX ADN dated 18 June 2025 titled *Results of HPA Scoping Study*), without taking into account any fees or costs associated with the sale.

HPA is designated as a Critical Mineral in the USA[2], and the HOA represents another important step in Andromeda's HPA commercialisation pathway, following successful 4N+ HPA production, completion of the HPA Scoping Study and commencement of pilot-scale testwork.

Key objectives of the HOA

Andromeda and Traxys intend to work together to:

- **Develop a targeted US go-to-market strategy** focused on key HPA end-use segments
- **Facilitate the introduction of Andromeda to Project Vault** with the aim of securing sales contracts in connection with this.
- **Facilitate introductions to other US-based customers and strategic partners**
- **Support qualification, certification and market entry** of Andromeda's HPA in the United States.

Growing demand in advanced technology sectors

Andromeda and Traxys believe there is growing demand for HPA in the United States, linked to the increasing use of:

- lithium-ion batteries and energy storage,
- semi-conductors and advanced electronics,
- LED and display technologies, and,
- importantly, synthetic sapphire used in defence, aerospace, and high-end industrial optics.

These sectors are forecast to see continued growth, supported by increased demand for processing and data storage facilities and applications to support the increasing adoption of artificial intelligence (AI).

Global HPA demand is forecast to grow strongly by 20% per annum to 2030, with supply deficit to exceed 78,000 tonnes, equivalent to 127% of total estimated demand, by 2030.[3]

Currently, China accounts for ~75% of global HPA production capacity[4], highlighting the strategic importance of alternative supply sources.

Traxys CEO, Mark Kristoff said:
"The United States is rapidly strengthening domestic and allied supply chains for critical minerals and advanced materials, creating significant opportunities for new, reliable sources of supply.
"We believe Andromeda's HPA project is well positioned to participate in this growing market, with the potential to support increasing US demand for high purity alumina across a range of critical industries."

Andromeda's Acting CEO, Sarah Clarke, said:
"We are very pleased to strengthen our relationship with Traxys, who has been a highly valued partner to date.

"This collaboration positions Andromeda to capitalise on growing demand for critical minerals in the US and supports our objectives to build the next-generation of HPA supply, aligned with high growth technology markets."

[2] High-Purity Alumina is included under Aluminium in the United States' Critical Minerals List: Final 2025 List of Critical Minerals | US Department of the Interior
[3] High Purity Alumina Special Report 2023, CRU, October 2025.
[4] High Purity Alumina Market Assessment, FutureBridge (commissioned by Andromeda), August 2025

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

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