

ASX Announcement (**ASX:AXE**)

8 May 2017

## **Drilling progress – Ketchowla Cobalt Manganese Project**

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### **Highlights**

- Cobalt and manganese focussed drilling continuing at Ketchowla.
  - Initial focus of drilling is K1 and K2 prospects where previous mapping and drilling has identified wide intercepts of outcropping manganese and cobalt mineralisation.
  - K1 and K2 are part of a larger mineralised target area at Ketchowla that extends for over 20 km.
  - First drill samples have been submitted for assay.
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Archer Exploration Limited (ASX: AXE) advises that Reverse Circulation (RC) drilling at the Company's 100% owned Ketchowla Cobalt Manganese Project (located near Burra, South Australia) is progressing well, with drilling forecast to be completed within the next fortnight.

So far drilling has been completed at K2, with the drilling at K1 expected to be completed late next week. The drilling at K1 is targeting lateral and depth extensions of the K1 mineralisation.

After K1, the drill rig will move to the Blue Hills area to undertake reconnaissance drilling. The purpose of the Blue Hills drilling is to follow up some regional targets, expand the size of the Ketchowla Project and provide future drill targets for follow up drilling.

This Ketchowla drilling campaign has been designed to test the width and depth extent of outcropping manganese and cobalt mineralisation where previous sampling by Archer has returned grades up to 0.64% cobalt and >50% manganese.

Archer's Executive Chairman Greg English said: "We are in the very early stages of our exploration program at Ketchowla. The K1 – K9 target areas have been mapped over a length of approximately 20km with numerous targets still to be tested."

"Ongoing exploration at Ketchowla will include follow up of positive drill results, specifically focused on the K1 to K9 target areas which remain prospective. We look forward to first assay results from drilling in the next couple of weeks" said Mr English.



*Figure 1: RC drilling at K1*

Previous exploration by Archer had identified extensive outcropping cobalt and manganese throughout parts of the Ketchowla project area (K1 to K9 structures).

Archer still has multiple additional targets identified for follow up across the larger Ketchowla Cobalt Manganese Project area from a combination of drilling, geophysics and geological fieldwork.



*Figure 2: Standing at K2 looking southwest with the K6 prospect in the background.*

For further information, please contact:

Mr Greg English  
Chairman  
Archer Exploration Limited  
Tel: (08) 8272 3288

Mr Cary Helenius  
Investor Relations  
Market Eye  
Tel: 03 9591 8906

## **Competent Person Statement**

The information in this report that relates to Exploration Results is based on information compiled by Mr Wade Bollenhagen, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy and is a full-time employee of Archer Exploration Limited. Mr Bollenhagen has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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". Mr. Bollenhagen consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



## About the Ketchowla Cobalt Manganese Project

The Ketchowla Cobalt Manganese Project comprises the K1 – K9 Prospects with the current drilling focussed on drilling at K1 and K2 (Figure 2).

As previously announced, historic drilling and other exploration by Archer at Ketchowla has identified high grade cobalt and manganese mineralisation. Archer has previously reported grades up to 0.64% cobalt in rock chips (ASX announcement 17 March 2017) and > 0.1% cobalt in shallow drill holes (ASX announcement 17 January 2017).

K1 is centred around a small historic manganese open pit mine (**Ketchowla Mine**) and located on the eastern limb of the main fold structure. K1 is part of a large-scale cobalt and manganese mineralised system which Archer has mapped and sampled over a 5km strike length.

The K2 Prospect is offset 6km to the east of K1. K2 is on the eastern limb of a shallow dipping syncline with discontinuous manganese outcrops mapped by Archer over 1.3km. Previous drilling by Archer at K2 intersected cobalt and manganese mineralisation within 1 – 5 metres of surface.

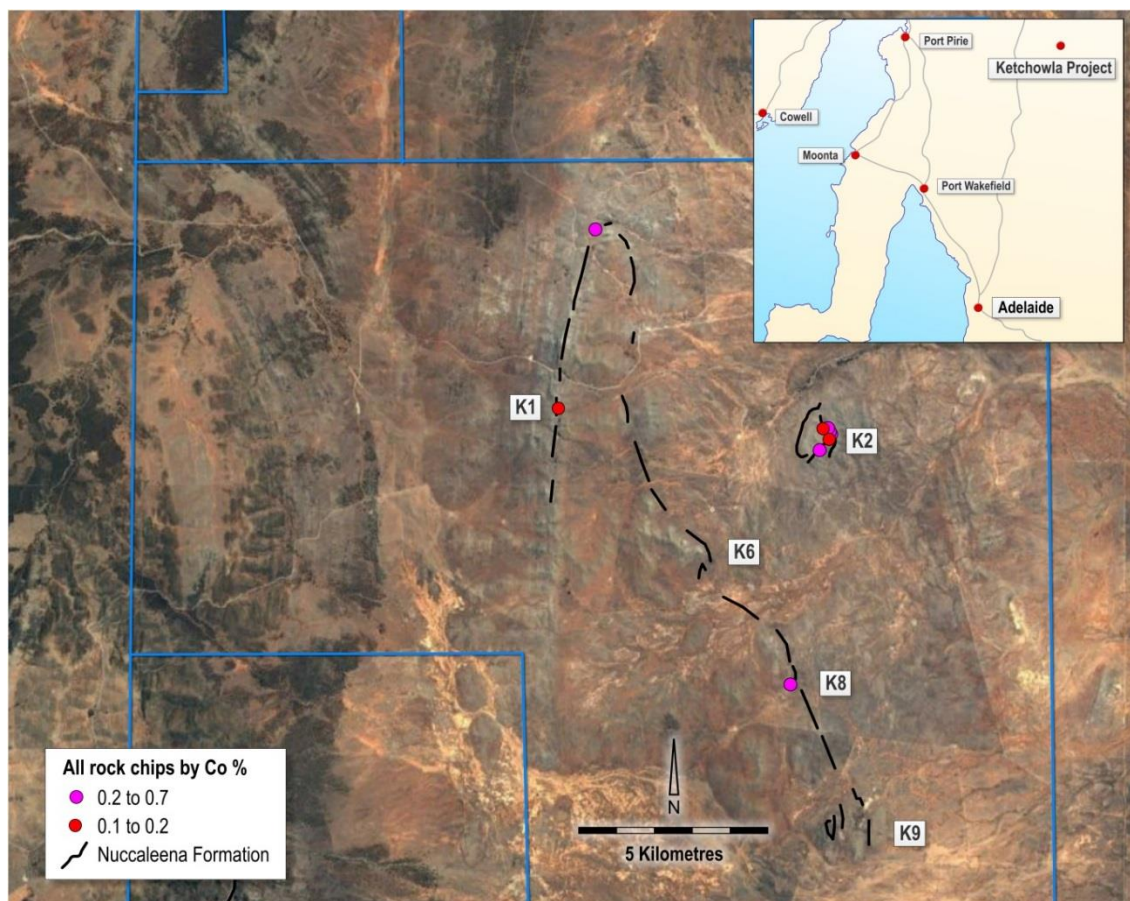


Figure 3: Location of prospects at Ketchowla Project with recent significant Co rock chips samples