

ASX Announcement (ASX:AXE)

19 December 2017

Archer positioned to deliver on advanced material strategy

Archer Exploration Limited (ASX:AXE) is pleased to provide the following update on the Company's graphite/graphene development strategy.

Welcome to our new CEO

New CEO of Archer, Dr Mohammad Choucair officially started his role on Friday December 1, 2017 and is based in the Sydney CBD. Dr Choucair is a world renowned advanced materials expert who will drive Archer's transition to an advanced technology company with an initial focus on graphite and graphene related technologies.



Dr Mohammad Choucair and the Hon, Tom Koutsantonis, SA Minister for Minerals and Energy, after announcement of the grant of the mining tenements.

Graphene Strategy

The appointment of Mohammad Choucair as CEO and the purchase of the Carbon Allotropes online graphite/graphene market place has provided Archer with the opportunity to expedite the development of a graphene and advanced materials business. To this end, the Company's vision is to use advanced materials for the betterment of society, in the areas:

- Reliable energy.
- Quantum technologies.
- Human health.

Archer has identified opportunities in these market segments and is currently pursuing opportunities to develop suitable technologies. Each of the above markets have been targeted due to their large market size, the opportunities already identified by Archer and because of the competitive advantages we have in each of these sectors.



Typical battery coin cells

Grant of Mining Lease

On 8 December, Archer announced the grant of the mining tenements for the mining and processing of graphite and graphene at the Company's 100% owned Eyre Peninsula Graphite Project. The mining tenements allow for the mining and processing of approximately 10,000 tonnes per annum of ultra-high-quality graphite and up to 100 tpa of graphene.

Previous test work by CSIRO showed that Archer graphite is suitable for use in lithium ion batteries. With the grant of the mining tenements and the appointment of Dr Mohammad Choucair as CEO, the Company will now commence further battery test work and expedite our battery development activities, in conjunction with our graphene and advanced materials development work.

Appointment of Kevin Foley

In mid-2017 Archer employed the Hon. Kevin Foley to assist the Company in the development of Archer's graphite and graphene strategy. Since his appointment Mr Foley has been instrumental in assisting Archer to develop its advanced material business and he will continue to have an important role to play in the business going forward.

By way of background, the Hon. Kevin Foley retired from South Australian Politics in 2011 following a decade of loyal service. A prominent figure in State politics, Kevin acted as the



Treasurer and Deputy Premier of South Australia from 2002-2011. During his tenure Kevin played a crucial role in restoring the Government's finances, most notably through regaining and retaining a AAA credit rating.

Kevin's leadership and business skills were pivotal in winning significant defence contracts and during Olympic Dam negotiations with BHP Billiton. His decade-long contribution to state politics cemented him as the longest-serving Deputy Premier of South Australia.

Archer is well funded

On 27 November Archer announced that it raised \$3.0 million from a heavily over-subscribed Share Purchase Plan (SPP). The Company is now fully funded and able to pursue its strategy of developing an advanced material technology business.

As part of the SPP, shareholders who were issued Archer shares under the SPP are entitled to apply for free share options on the basis of one free option for every two shares issued under the SPP. Archer has sent by post to all eligible shareholders a copy of the prospectus (including a personalised application form) for the issue of the free options. All completed application forms must be posted to Computershare using the return envelope accompanying the prospectus.

In order to receive your free options, Computershare must receive the completed application form in the post by 5:00pm (Adelaide time) on 12 January 2018. For more information on how to accept the offer of free options, refer to section 3.5 of the Prospectus.

Archer is excited by the potential of our vertically integrated graphite/graphene focussed advanced materials business and the potential of our copper and cobalt projects and look forward to an exciting 2018.

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Forward looking statements

The information in this document is published to inform you about Archer Exploration Limited and its activities. Some statements in this presentation regarding estimates or future events are forward looking statements. Although Archer Exploration Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results and outcomes will be consistent with these forward-looking statements.