

ASX Announcement ([ASX: AXE](#))

7 October 2021

Share Purchase Plan Offer Document

Archer Materials Limited (“Archer”, the “Company”, “[ASX:AXE](#)”) confirms that the its Share Purchase Plan (“SPP”, “Plan”) is now open and the attached SPP offer document will be available to eligible shareholders today.

The key dates for the SPP are set out below.

Event	Date
Record Date (7:00pm Sydney time)	Friday, 1 October 2021
Announcement Date of Plan	Monday, 4 October 2021
Opening Date of Plan	Thursday, 7 October 2021
Closing Date of Plan (5:00pm Sydney time)*	Thursday, 28 October 2021
Allotment and Issue of New Shares under the Plan*	Thursday, 4 November 2021

* These dates are indicative only. The Company may vary the dates and times of the SPP by lodging a revised notice with ASX. Eligible Shareholders are encouraged to submit their Applications early as the Directors reserve the right to close the SPP early if oversubscribed.

About Archer

Archer is a technology company that operates within the semiconductor industry. The Company is developing and commercialising advanced semiconductor devices, including chips relevant to quantum computing and medical diagnostics.

The Board of Archer authorised this announcement to be given to ASX.

General Enquiries

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For more information about Archer’s activities, please visit our:

Website:

<https://archerx.com.au/>

Twitter:

<https://twitter.com/archerxau>

YouTube:

<https://bit.ly/2UKBBmG>

Sign up to our Newsletter:

<http://eepurl.com/dKosXI>

7 October 2021

Letter from the Chairman (Share Purchase Plan)

Dear Shareholder,

On 4 October 2021 the Board of Directors of Archer Materials Ltd (“Archer”, the “Company”) announced a \$20 million equity raise to fund the development and growth of the Company’s advanced semiconductor technologies, with a particular focus on the ¹²CQ quantum computing chip. The equity raise comprises a:

- \$15 million share placement to sophisticated and professional investors at a price of \$1.45 per share (“Placement”); plus
- \$5 million share purchase plan at a price of \$1.45 per share (“SPP”).

Share Purchase Plan

With the recent Archer shareholder approval for the sale of the Company’s remaining mineral exploration tenements and the iTech Minerals Ltd initial public offering, the Company’s transition from a mineral exploration company to a deep technology company is almost complete. With the recent grants of the ¹²CQ quantum chip related patents, and the anticipated easing of COVID-19 restrictions and resumption of international travel, the Archer board has made the decision to raise funds to expedite our work and actively engage with potential overseas development partners and commercial end-users.

The SPP allows eligible shareholders (who are residents of Australia or New Zealand and held Archer shares at 7:00pm (Sydney time) on Friday 1 October 2021 (“Eligible Shareholder”) to apply for up to \$30,000 of new Archer shares (“New Shares”) and a minimum of \$2,500 of Shares without incurring brokerage or transaction costs. The issue price of \$1.45 per Share is the same as the issue price for institutional and sophisticated investors under the recent Placement.

The SPP is targeting to raise \$5 million. Please note that if total demand for the SPP exceeds \$5 million then the Board reserves the right to close the SPP early and scale back applications or elect to increase the amount raised under the SPP.

Use of funds

It is intended that the funds raised from the SPP will be used towards:

- (a) Progressing Archer’s world-first technology development, including its ¹²CQ chip and Biochip.
- (b) Utilising world-class technology development infrastructure and facilities, R&D, people, and IP, to support pre-market development of Archer’s technologies.
- (c) Protecting intellectual property assets (e.g. patents and international patent applications) underpinning the Company’s technology.
- (d) Establishing and strengthening new and existing commercial partnerships in Australia and abroad.
- (e) General working capital requirements.

How to apply for Shares

To participate in the SPP, Eligible Shareholders must:

1. Access the Company's SPP offer website: <https://axespp.thereachagency.com> to apply online.
2. Enter your personal holder ID (SRN or HIN) shown on the top right of this letter (to the right of your address) and your postcode or domicile.
3. Follow the instructions on the SPP offer website to complete your application for Shares. When your application is complete, you will be provided with either:
 - (a) a biller code and personal customer reference number for Eligible Shareholders with an Australian address or a New Zealand address but an Australian bank account; or
 - (b) an EFT transaction code for Eligible Shareholders with a New Zealand address but no Australian bank account.
4. Use the biller code and personal customer reference number or EFT transaction number to pay for your Shares using BPAY® or EFT (as the context requires).

You may request a hard copy of your letter and the Terms and Conditions booklet but given the impacts of the COVID-19 pandemic and delays in postal services, shareholders are strongly encouraged to utilise the SPP offer website. Please note that, due to the COVID-19 pandemic, cheques and money orders will not be accepted.

Important Information

Participation in the SPP is entirely voluntary. If you do not wish to participate in the SPP, then you do not need to take any action. Details of the SPP are set out in the Terms and Conditions booklet and on the SPP offer website (<https://axespp.thereachagency.com>).

The Board urges you to read the Terms and Conditions and SPP offer website information carefully and in their entirety before deciding whether or not to participate in the SPP.

If you are uncertain whether New Shares are a suitable investment for you, then you should consult your financial or other professional adviser.

On behalf of the Board, I invite you to consider this opportunity to increase your investment in the Company and to continue your support for the great technological challenges, like quantum computing, that more and more people around the world are working to solve, with the brilliant innovators who are leading the way at Archer.

Yours faithfully,



Greg English
Executive Chairman
Archer Materials Limited

SHARE PURCHASE PLAN OFFER

Archer Materials Limited (ACN 123 993 233)

Offer Terms and Conditions

Open date: Thursday, 7th October 2021

Close date: Thursday, 28th October 2021

This document sets out the main Terms and Conditions of the Archer Materials Limited (“Archer” or “Company”) Share Purchase Plan (“Plan” or “SPP”) and is binding on any Eligible Shareholder completing and lodging an Application and making payment by BPay® or EFT. Please read the Terms and Conditions carefully, as you will be bound by them in participating in the SPP.

1. Frequently asked questions

Set out below are answers to some key questions that you may have about the Plan. This table is qualified by and should be read in conjunction with the remaining Terms and Conditions described in this document.

Question	Answer
What is the SPP?	The Offer enables Eligible Shareholders to apply to purchase up to A\$30,000 worth of new fully paid ordinary shares in Archer (“New Shares”) without paying any brokerage or other charges.
How much will Archer raise under the SPP?	The SPP is targeting to raise \$5,000,000. However, the Company reserves absolute discretion regarding the final amount raised under the Plan. If the Company receives Applications for more than \$5,000,000, then the Company may elect to either scale back Applications or increase the amount to be raised.
Do I have to participate in the SPP?	Participation in the SPP is optional. If you choose to do nothing, then you will not participate in the SPP.
What is the issue price of the SPP Shares?	The Issue Price under the SPP is \$1.45 per New Share, being the same price paid by sophisticated and institutional investors under the Placement announced on 4 October 2021.
Am I eligible to participate in the SPP?	You are eligible to participate in the SPP if at 7:00pm (Sydney time) on Friday, 1 October 2021 you: <ul style="list-style-type: none"> • were a holder of Shares; and • your registered address is in Australia or New Zealand. <p>The SPP Offer is not made to holders of Shares with a registered address outside of Australia and New Zealand. Certain Eligible Shareholders who are custodians holding Shares on behalf of certain beneficiaries are also able to participate in the SPP in accordance with the Terms and Conditions.</p>
Can my offer under the SPP be transferred to a third party?	No. Your rights under the SPP are personal to you and non-renounceable, so you may not transfer them.
When does the SPP open?	The SPP opens at 9am (Sydney time) on Thursday, 7 October 2021.
How long is the SPP offer open for?	The SPP is scheduled to close at 5pm (Sydney time) on Thursday, 28 October 2021 (“Closing Date”). If you want to participate in the SPP you should ensure that the Registry receives your BPay or EFT payment by no later than 5pm on the Closing Date. You should be aware that the Company has the right to close the SPP early or to extend the Closing Date.

Question	Answer
How many Shares can I apply for under the SPP?	<p>Eligible Shareholders are required to apply for New Shares under the SPP in any of the following set amounts: \$2,500, \$5,000, \$10,000, \$15,000, \$20,000, \$25,000 or \$30,000, in applying for New Shares, regardless of the number of Shares you currently hold. These amounts may be subject to scale back.</p> <p>If you make a payment for any amount other than one of the set amounts above, your Application may be rejected.</p>
Why can I only subscribe for up to \$30,000 worth of New Shares?	ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 restricts the value of New Shares that can be issued to you or a Custodian on your behalf to \$30,000.
How do I apply for New Shares?	<p>To participate in the SPP and apply for New Shares, complete your Application online at https://axespp.thereachagency.com and use the unique:</p> <ul style="list-style-type: none"> • Customer Reference number provided to make payment by BPay®; or • EFT transaction identification number provided for payment by EFT. Only New Zealand Eligible Shareholders who do not have an Australian bank account or do not wish to pay via BPAY® are eligible make payment by EFT.
How can I access the SPP Terms and Conditions?	<p>The SPP Terms and Conditions can be downloaded from:</p> <ul style="list-style-type: none"> • the ASX website (www.asx.com.au); • the Company's website (https://archerx.com.au/investors); or • from the Archer SPP offer website (https://axespp.thereachagency.com).
How many New Shares will I receive?	<p>In the absence of any scale back or a rejection of your Application, the number of New Shares that you will receive will be the number of New Shares for which you applied.</p> <p>If Archer, in its discretion, undertakes a scale back of Applications for New Shares, then you may receive less than the parcel of New Shares for which you have applied. Excess funds will be returned to applicants without interest.</p>
When will I receive my New Shares?	<p>New Shares are expected to be allotted on Thursday, 4 November 2021 (being the Allotment Date).</p> <p>You should be aware that the Company has the right to either close the SPP early or to extend the Closing Date which will change the Allotment Date.</p>
Important Information	<p>You should be aware that although the Issue Price of \$1.45 per New Share is at a discount to the market price of Archer Shares on ASX on the date the Plan was announced:</p> <ul style="list-style-type: none"> • <i>shares are a speculative investment;</i> • <i>there is a risk that the price of Shares on ASX may change between the date of this document and the date of issue of the New Shares under the SPP; and</i> • <i>the value of the New Shares received under the Plan may rise or fall accordingly.</i> <p>The Board recommends that you obtain your own financial advice in relation to the Offer under the SPP and consider price movements of Shares in the Company prior to making an Application under this SPP.</p>

2. Purpose

The Share Purchase Plan offers Eligible Shareholders of Archer Materials Limited the opportunity to subscribe for new fully paid ordinary shares in the Company (“New Shares”), up to a maximum value of \$30,000 (subject to any discretionary scale backs and any restrictions imposed by law).

New Shares under the Plan will be issued at a price of \$1.45 each (“Issue Price”) being the same price paid by sophisticated and institutional investors under the share placement announced on 4 October 2021 (“Placement”).

The SPP is targeting to raise \$5,000,000. If the Company receives Applications for an amount more than \$5,000,000, then the Company may elect to either scale back Applications or increase the amount to be raised under the SPP. In the event of a scale back, you will be allocated less than the number of New Shares that you applied for.

3. Raising Amount and Scaleback

The SPP is targeting to raise \$5,000,000, however the Company reserves absolute discretion regarding the final amount raised under the Plan. If total demand for the SPP exceeds \$5,000,000, then the Company reserves the right to:

- (a) elect to increase the amount raised (subject to the maximum amount permitted under the ASX Listing Rules); or
- (b) close the SPP early and scale back Applications. When determining the amount (if any) by which to scale back an Application, the Company may take into account a number of factors, including the size of an applicant’s shareholding, the extent to which Eligible Shareholders have sold or bought additional Shares after the Record Date and the date an Application was made. Eligible Shareholders are therefore encouraged to submit their Applications early.

If there is a scale back, then you may not receive all the New Shares for which you have applied. If the Company rejects or scales-back an Application or purported Application, then the Company will promptly return to the Shareholder the relevant Application monies, without interest. If the amount received is less than the minimum Application amount of \$2,500 then Archer will not issue any New Shares to you and the money received from you will be refunded without interest.

Archer reserves the right to reject any Application for New Shares under the SPP that it believes does not comply with these Terms and Conditions.

4. Key dates

Record Date (7:00pm Sydney time)	Friday, 1 October 2021
Announcement Date of Plan	Monday, 4 October 2021
Opening Date of Plan	Thursday, 7 October 2021
Closing Date of Plan (5:00pm Sydney time)*	Thursday, 28 October 2021
Allotment and Issue of New Shares under the Plan*	Thursday, 4 November 2021

* These dates are indicative only. The Company may vary the dates and times of the SPP by lodging a revised notice with ASX. Eligible Shareholders are encouraged to submit their Applications early as the Directors reserve the right to close the SPP early if oversubscribed.

5. Shareholders eligible to participate in the Plan

Holders of Shares that were registered on the Company share register as a holder of Shares on the Record Date with an address in Australia or New Zealand are deemed eligible shareholders (“Eligible Shareholders”) and may participate in the Plan.

If you hold Shares on behalf of persons who reside outside Australia or New Zealand (particularly in the United States), then you are not an Eligible Shareholder and are not entitled to participate in the Plan. Due to foreign securities laws, it is not practical for Shareholders (or beneficial Shareholders) resident in other countries to be offered the opportunity to participate in the Plan.

The SPP allows Eligible Shareholders to increase their investment in the Company by buying discounted New Shares at a fixed price without the need to pay brokerage and commission costs.

Participation in the Plan is optional and is subject to these Terms and Conditions. Offers made under the Plan are non-renounceable (i.e. Eligible Shareholders cannot transfer their rights to any New Shares offered under the Plan).

Details of how Custodians, trustees and beneficiaries are treated under the Plan are provided further below.

6. Important Information

Before you apply for New Shares under the Plan, you should consider obtaining professional financial and/or taxation advice to assist you in determining whether or not, and the extent to which, you wish to participate in the Plan (taking into account your own financial situation, needs and objectives).

The Company and its officers make no recommendation about whether or not you should apply for New Shares under the Plan and nothing in these Terms and Conditions (including the Application) or any other accompanying documentation constitutes investment or financial product advice or is intended to influence your decision whether or not to participate in the Plan.

7. Joint holders/joint beneficiaries

If two or more persons are registered on the Company share register as jointly holding Shares, then they are taken to be a single registered holder of Shares and a certification given by any of them is taken to be a certification given by all of them. If the same joint holders receive more than one offer under the Plan due to multiple identical holdings, then the joint holders may only apply in aggregate up to the maximum amount of \$30,000.

8. New Zealand

The New Shares offered under the Plan are not being offered or sold to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand and to whom the Offer is being made in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2016* (New Zealand) (as amended by the *Financial Markets Conduct (Incidental Offers) Exemption Amendment Notice 2018*).

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013* (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

9. Foreign offer restrictions

The Plan may not be released or distributed in any country other than Australia or New Zealand. The Plan does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any other country, other than Australia or New Zealand.

10. Not for distribution or release in the United States

The SPP Shares offered and sold under the SPP have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, you are not eligible to participate in the SPP if you are in the United States or are acting for the account or benefit of a person in the United States. If you are acting for the account or benefit of a person in the United States, you are not permitted to apply for or acquire SPP Shares for, or for the account or benefit of, that person.

11. New Share issue price

New Shares will be issued at \$1.45 ("Issue Price"), being the same price paid by sophisticated and institutional investors under the Placement. The Issue Price represents a discount of:

- (a) 16.4% to the closing price of Archer shares on 30 September 2021, which was the last trading day prior to the date of the announcement of the SPP;
- (b) 52.9% to the Archer 52-week high share price of \$3.08 achieved on 16 August 2021; and
- (c) 20.9% to the volume weighted average price of Archer shares over the five trading days prior to the date of the announcement of the SPP on 1 October 2021.

You should note that the Archer share price may rise or fall between the date of this Offer and the date when New Shares are allotted and issued to you under the SPP. This means that the price you pay per New Share under this Offer may be either higher or lower than the Archer share price quoted on ASX at the time of the Offer or at the time the New Shares are issued and allotted to you under the SPP.

The Board recommends that you obtain your own financial advice in relation to the Offer under the SPP and consider price movements of Shares in the Company prior to making an Application under this SPP.

12. How much can you invest?

Eligible Shareholders may apply for a maximum of \$30,000 and a minimum of \$2,500 worth of New Shares under the SPP. These limitations apply even if you receive more than one Application, or if you hold Shares in more than one capacity. It is your responsibility to ensure that the number of New Shares issued to you does not exceed \$30,000 in aggregate.

Subject to the above, Eligible Shareholders may participate in the SPP by selecting one of the following offers to purchase New Shares under the Plan.

	Subscription amount	Number of New Shares to be issued at \$1.45 per New Share
Minimum application	\$2,500	1,725
	\$5,000	3,449
	\$10,000	6,897
	\$15,000	10,345
	\$20,000	13,794
	\$25,000	17,242
Maximum application	\$30,000	20,690

Eligible Shareholders are encouraged to submit their Applications early as the Directors reserve the right to close the SPP early or scale back the amount of News Shares issued, if the SPP is oversubscribed.

If you apply for New Shares under the Plan, you are applying for a certain value of New Shares at the Issue Price of \$1.45, rather than a certain number of Shares. Fractional New Shares will not be issued and any fraction of a New Share will be rounded up to the nearest whole number of New Shares.

In the absence of a scale back described in section 3 above, the Company will divide the amount of the BPay or EFT payment received from you by the Issue Price in order to determine the number of New Shares for which you have applied (rounded up to nearest whole number of New Shares). If we receive an amount that does not equal one of the amounts specified in the table above, then Company may either:

- (a) reject the Application and refund in full the application money (without interest) to you; or
- (b) apply the dollar amount of the payment to the highest designated parcel that is less than the amount of the payment and refund the excess application money (without interest) to you.

13. How do you apply for New Shares?

To apply for New Shares under the SPP, complete your Application online at <https://axespp.thereachagency.com>.

Applications for New Shares under the SPP can only be made by:

- BPay® for Australian Eligible Shareholders and New Zealand Eligible Shareholders with an Australian bank account; or
- by EFT for New Zealand Eligible Shareholders who don't have an Australian bank account or do not wish to pay via BPAY®.

When paying by BPay® or EFT you are not required to submit a physical application form but when making payment are taken to make the certifications and representations described in these Terms and Conditions and the Application. However, Custodians applying for Beneficiaries must still complete and return a Custodian Certificate.

13.1 Customer Reference Number and EFT details

Eligible Shareholders wishing to pay by BPay® or EFT must access a personalised customer reference number or EFT transaction identification before making payment. You can access your customer reference number or EFT identification as follows:

- (a) Access the Company's SPP offer website: <https://axespp.thereachagency.com>.
- (b) Enter your personal holder ID (SRN or HIN) and postcode or domicile shown on the top of the SPP Chairman's letter dated 7 October 2021 ("Letter") and sent to you. The Letter was sent via email to Eligible Shareholders who have elected to receive Company correspondence electronically and sent by post to all other Eligible Shareholders.
- (c) Follow the instructions on the SPP offer website (<https://axespp.thereachagency.com>) to complete your application for New Shares. When your application is complete ("Application"), you will be provided with either:
 - (i) a biller code and personal customer reference number for Australian Eligible Shareholders and New Zealand Eligible Shareholders with an Australian bank account; or
 - (ii) an EFT transaction identification number and payment details for New Zealand Eligible Shareholders who don't have an Australian bank account or do not wish to pay via BPAY®.

13.2 Payment by BPay or EFT

To pay by BPay®, access your bank account and enter the personalised customer reference number and biller code gained from following the steps described above (refer to section 13.1(c)(i)).

To pay by EFT, access your bank account and enter the EFT transaction identification and payment details gained from following the steps described above (refer to section 13.1(c)(ii)).

Your payment will not be accepted if it is not received by the Company by 5:00pm (Sydney time) on the Closing Date and no New Shares will be issued to you in respect of that Application.

Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. You may also have your own limit on the amount that can be paid via BPay® or EFT. It is your responsibility to check that the amount you wish to pay for New Shares does not exceed your limit.

Once your BPay® or EFT payment is made, it cannot be revoked.

13.3 Multiple Applications

If you have multiple holdings and make multiple online Applications then you will have multiple BPay® customer reference numbers or EFT transaction identification numbers. To ensure you receive your New Shares under the Offer in respect of that holding, you must use the specific customer reference number or EFT transaction identification number (as applicable) shown on each personalised Application that you wish to apply for in respect of that holding.

If you inadvertently use the same customer reference number or EFT transaction identification number for more than one of your Applications, you will be deemed to have applied only for the Application to which that Customer Reference Number or EFT transaction identification number applies and any excess amount will be refunded.

Any Eligible Shareholder that pays for New Shares by BPay® or EFT is deemed to represent to the Company that the amount of Shares subscribed for pursuant to the Plan does not exceed \$30,000 (including joint or any other beneficial interests).

13.4 Applications by Custodians

If you wish to apply as a Custodian under the SPP to receive New Shares for one or more Eligible Beneficiaries, you must complete and submit an additional Custodian Certificate that contains further certifications and details (as required under the terms of *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*) before your Application will be accepted.

Applications by Custodians that are not accompanied by a duly completed Custodian Certificate will be rejected. To request a Custodian Certificate, you should contact Computershare Investor Services Pty Limited and if you would like further information on how to apply, please contact Mr Damien Connor, Archer Materials Limited Company Secretary on +61 8 8272 3288 or at hello@archerx.com.au.

By applying as a Custodian on behalf of Eligible Beneficiaries to purchase New Shares, you certify (amongst other things) that each Eligible Beneficiary has not exceeded the \$30,000 limit. Custodians are not permitted to participate in the SPP on behalf of, and must not distribute these Terms and Conditions or any documents (including the Letter) relating to this SPP to, any person in the United States.

14. Shortfall

In the event that the total value of all Applications received by the Company is less than \$5,000,000, then the full amount of the shortfall may be placed at the discretion of the Board subject to compliance with the necessary

legal requirements. The Company confirms that any issue of shortfall will be placed subject to the Company's compliance with ASX Listing Rule 7.1 at the time of issue.

As at the Record Date, the Company has capacity to issue 34,155,982 Shares under its ASX Listing Rule 7.1 capacity. Where the shortfall exceeds the Company's placement capacity, the shortfall will only be placed if shareholder approval is obtained. The Company confirms that the shares issued under the Plan will be issued under ASX Listing Rule 7.1 capacity.

15. Archer's discretions regarding Applications

Archer has a broad discretion to accept or reject your Application to purchase New Shares under the SPP, including if:

- (a) your BPay® or EFT payment (as the context requires) is not received or is incomplete or invalid by the Closing Date;
- (b) unless you are applying as a Custodian, it appears that you are applying to buy more than \$30,000 (in aggregate) of New Shares under the SPP;
- (c) you are a Custodian, Archer is not satisfied with your certification for any reason, or if you have not provided certification in accordance with these Terms and Conditions;
- (d) cleared funds are not received until after the Closing Date. While Archer has the discretion to accept late BPay® or EFT payments, there is no assurance that it will do so. Late BPay® and EFT payments may be returned to you by cheque (or any other method as Archer determines) to your registered address;
- (e) Archer has reason to believe that you are not an Eligible Shareholder (subject to compliance with any applicable ASIC or ASX requirements); or
- (f) Archer is required to reject your Application under *ASIC Corporations (Share and Interest Purchase Plan) Instrument 2019/547*.

16. Issue and Quotation of New Shares

New Shares to be issued under the Plan will rank equally in all respects with all other Shares from the date of issue and will be issued as soon as reasonably practicable after the Closing Date.

Shareholding statements or CHESS notification will be issued in respect of all New Shares issued under the Plan.

The Company will, promptly after the issue of New Shares under the Plan, make application for those New Shares to be listed for quotation on the official list of ASX. You should confirm your holding before trading in any New Shares you believe have been issued to you under the SPP.

17. iTech in-specie distribution

The New Shares under the Plan will be issued and allotted to successful applicants on 4 November 2021 (refer to section 4). This date is after the proposed record date (13 October 2021) for the in-specie distribution of ordinary shares in the capital of iTech Minerals Ltd (**iTech Shares**) described in the Company's Notice of Meeting lodged with ASX on 30 July 2021. Therefore, successful applicants will not be entitled to receive any iTech Shares in respect of any New Shares issued under the Plan.

18. Participation is optional

Participation in the SPP is entirely optional (subject to the eligibility criteria set out in these Terms and Conditions). If you do not wish to accept the offer under the SPP, then you do not need to take any action and the Offer will lapse on the Closing Date.

19. No Underwriting

The Plan is not underwritten.

20. Trustees and nominees

If you hold Shares as a trustee or nominee for another person or persons but are not a Custodian as defined above, then you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings (above) apply.

21. Modification and Termination of the Plan

The Company may modify or terminate the Plan, or waive strict compliance with any of the Terms and Conditions, at any time and any modification, waiver or termination is binding on all Eligible Shareholders even where the Company does not notify you of that event.

In the event the Plan is terminated before the issue of New Shares, all application monies will be returned to you, without interest, by direct credit to your nominated account as recorded on the Company's share register or cheque to your address as shown on the Company's share register as soon as practicable.

Without limiting the above, the Company may issue to any person fewer New Shares than the person applied for under the Plan if the issue of the New Shares applied for would contravene any applicable law or the Listing Rules of ASX or ASIC Corporations (Share and Interest Purchase Plan) Instrument 2019/547.

22. ASIC Corporations (Share and Interest Purchase Plan) Instrument 2019/547 compliance

The SPP offer of New Shares is made in accordance with ASIC Corporations (Share and Interest Purchase Plan) Instrument 2019/547, which grants relief from the requirement to prepare a prospectus for the SPP offer of New Shares.

23. Dispute Resolution

The Company may, in any manner it thinks fit, settle any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan, whether generally or in relation to any participant, Application or New Shares. The decision of the Company in this respect will be conclusive and binding on all shareholders and other persons to whom that determination relates.

The Company reserves the right to waive strict compliance with any provision of these Terms and Conditions. The powers of the Company under these conditions may be exercised by the Directors or any delegate of the Directors.

24. Governing Law

The Terms and Conditions and the Offer under the Plan are governed by the laws of South Australia.

25. Acknowledgements

By making payment through BPay® or EFT or returning a Custodian Certificate, you certify, acknowledge, warrant and represent as true, correct and not misleading to Archer that:

- (a) you have read and accepted the Terms and Conditions in full;
- (b) you declare that all details and statements in your Application are true and complete and not misleading;
- (c) your Application, under the Terms and Conditions of the SPP set out in this document (including a Custodian Certificate), will be irrevocable and unconditional (i.e. it cannot be withdrawn);

- (d) as at the Record Date, you were recorded on Archer's share register as being a registered holder of Archer Shares and having an address in Australia or New Zealand;
- (e) if you have a registered address in New Zealand, you continued to hold Shares as at the Record Date;
- (f) you are not in the United States and are not acting for the account or benefit of a person in the United States (in the event that you are acting for the account or benefit of a person in the United States, you are not applying for, or acquiring, any SPP Shares for the account or benefit of that person);
- (g) the New Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States, and accordingly, the SPP Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act of 1933 and any applicable US state securities laws;
- (h) you have not, and will not, send these Terms and Conditions or any materials relating to the SPP to any person in the United States or elsewhere outside Australia and New Zealand;
- (i) if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in regular way for transactions on the ASX where neither you nor any person acting on your behalf know, or have reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States;
- (j) you are not applying for New Shares with an aggregate Application value, when aggregated with the Application value of any Shares issued to you or a Custodian on your behalf under the SPP or similar arrangement in the previous 12 months, of more than \$30,000 under the SPP (including by instructing a Custodian to acquire New Shares on your behalf under the SPP), and you are complying with the limitations detailed in these Terms and Conditions;
- (k) the total of the Application price for the following does not exceed \$30,000:
 - (i) the Shares the subject of the Application;
 - (ii) any other Shares issued to you under the Plan or any similar arrangement in the 12 months before the Application;
 - (iii) any other Shares which you have instructed a Custodian to acquire on your behalf under the Plan; and
 - (iv) any other Shares issued to a Custodian in the 12 months before the Application as a result of an instruction given by you to the Custodian to apply for Shares on your behalf under an arrangement similar to the Plan.
- (l) if you are a Custodian and are applying on behalf of an Eligible Beneficiary on whose behalf you hold Shares, acknowledge and agree that:
 - (i) you are a Custodian (as that term is defined in *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*);
 - (ii) you held Shares on behalf of the Eligible Beneficiary or Downstream Custodian as at the Record Date who has instructed you to apply for SPP Shares on their behalf under the SPP and that that Eligible Beneficiary has been given a copy of these Terms and Conditions;
 - (iii) you are not applying for New Shares on behalf of any Eligible Beneficiary or Downstream Custodian with Application Monies of more than \$30,000 under the SPP and similar arrangement in the 12 months before this Application; and
 - (iv) the information in the Custodian Certificate submitted with your Application is true, correct and not misleading.

- (m) you may be offered New Shares pursuant to the SPP in accordance with all applicable laws, and any acceptance by you on your own behalf or in respect of any person for which you are acting complies with all applicable laws;
- (n) you accept the risk associated with any refund that may be despatched to you by direct credit or cheque to your address shown on Archer's share register;
- (o) you are responsible for any dishonour fees or other costs Archer may incur in presenting a cheque for payment which is dishonoured;
- (p) you agree to be bound by the provisions of the Constitution of Archer (as amended and as it may be amended from time to time in the future);
- (q) you authorise Archer and its affiliates, officers and representatives to do anything on your behalf necessary for New Shares to be issued to you in accordance with these Terms and Conditions;
- (r) you authorise Archer (and its officers and agents) to correct minor or easily rectified errors in, or omissions from, your Application and to complete the Application by the insertion of any missing minor detail; and
- (s) Archer may at any time irrevocably determine that your Application is valid in accordance with these Terms and Conditions, even if the Application is incomplete, contains errors or is otherwise defective.

26. Questions and Contact Details

If you have any questions regarding the Plan or how to deal with this Offer, please contact your stockbroker or professional adviser, or Mr Damien Connor, Archer Materials Limited Company Secretary on +61 8 8272 3288 or via email at hello@archerx.com.au.

27. Glossary

Application means a correctly completed online application and submitted payment via BPAY or EFT.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange.

Beneficiary means either or both of the following:

- (a) one or more persons on whose behalf a Custodian holds Shares; and/or
- (b) another custodian (a Downstream Custodian) on whose behalf a Custodian holds Shares where the Downstream Custodian holds the beneficial interests in the Shares on behalf of one or more persons.

Board means the board of Directors of Archer Materials Limited.

Closing Date means 5:00pm (Sydney time) on Thursday, 28 October 2021 or such other date determined by the Board.

Company or **Archer** means Archer Materials Limited ACN 123 993 233.

Constitution the constitution of the Company as amended or replaced from time to time.

Custodian has the meaning given in clause 4 of *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*.

Custodian Certificate means a certificate complying with clause 8(3) of *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*.

Directors means the directors of the Company.

Downstream Custodian a downstream custodian as defined in clause 8 of *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*.

EFT means electronic fund transfer.

Eligible Beneficiary means a Beneficiary of a Custodian with a registered address in either Australia or New Zealand as at the Record Date, provided that such Beneficiary is not in the United States.

Eligible Shareholder means a registered Shareholder with an address in Australia or New Zealand as at the Record Date.

Issue Price is \$1.45, being the price per New Share under the Plan.

Letter means the SPP Chairman's letter dated 7 October 2021.

Listing Rules means the Listing Rules of the ASX.

New Shares means the new Shares offered under the SPP.

Offer means the offer of New Shares under the SPP priced at \$1.45 per New Share.

Placement means the share placement to professional and sophisticated to raise \$15 million at an issue price of \$1.45 per Share and announced by the Company to ASX on Monday, 4 October 2021.

Record Date means 7:00pm (Sydney time) on Friday, 1 October 2021.

Share means a fully paid ordinary share in the capital of the Company.

SPP or Plan means the Share Purchase Plan offered by the Company to Eligible Shareholders.

Sydney time means legal time in Sydney, New South Wales.

Terms and Conditions means the terms and conditions contained in this document, including these definitions, the Application and the Letter.