

ASX Announcement (ASX:**AXE**)

15 March 2018

Archer graphite and graphene business update

Highlights

- Draft Community Consultation Plan lodged for Eyre Peninsula Graphite Project.
 - Archer graphene efforts focussed on three key areas: reliable energy, human health and quantum technologies.
 - Finalisation of agreements in areas of reliable energy and human health expected in the second quarter of 2018.
 - New clients pre-qualified for Carbon Allotropes' online graphene marketplace.
 - Launch of new branding and web site: www.archerx.com.au
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Archer Exploration Limited (ASX:**AXE**, Archer, Company) is pleased to provide the following update on the Company's graphene and advanced materials business.

Internationally recognised graphene and advanced materials expert, Dr Mohammad Choucair, was appointed as Archer CEO December 2017 and in the three months since his appointment Choucair and the Archer team have been developing the Company's graphite, graphene and advanced materials business.

The Eyre Peninsula Graphite Project (EPGP) is a valuable asset that gives the Company access to a high-grade graphite resource that is capable of making high quality graphene. Following the grant of the Mining Lease by the South Australian Government last December, the environmental approvals process is now ongoing, with the Company recently lodging its draft Community Consultation Plan with the South Australian Government for review and approval.

Archer's vision is to build a long term and viable mineral and materials development business focussing on the key areas related to reliable energy, human health and quantum technologies. These three themes were targeted as they have associated industries with exponential growth opportunities. Archer's in-house expertise provides an opportunity for it to quickly develop and integrate materials-centric solutions with the potential for positive global impact.

In executing this vision, Archer is currently well progressed in negotiating an agreement for the development of graphene-based technology in the human health sector and anticipate this agreement will be finalised in the second quarter of the 2018 calendar year. Archer has also been negotiating with

a world-renowned institution with regards to accessing the facilities and infrastructure required for the development of graphene-based energy technologies, and also anticipates having these arrangements finalised in the next quarter.

Dr Mohammad Choucair, Archer CEO said, “Since my appointment as CEO, and the grant of the Mining Lease in December last year, we have achieved a number of key milestones in the last three months. From a standing start, we have better positioned ourselves in the greater materials economy, and as a result the advanced materials business is taking shape and is poised for growth. We are developing a reputation in the advanced materials and graphene market for excellence and have been attracting a growing number of unsolicited approaches for participation in joint development projects, which gives us confidence that our strategy is working”.

“Over the last three months we have progressed agreements with large institutions that are nearing finalisation, and the team has been working in parallel to address value addition and creation with our substantial graphite and graphene resources, for example:

- We have been in contact with over 100 potential offtake and investment partners for our integrated graphite and graphene exploration and mining related activities
- Over 150 new customers have been pre-qualified for graphene sales and collaborations on the Carbon Allotropes marketplace, and
- We have been fielding inquiries from prospective business partners.” Dr Choucair stated.

Dr Choucair also commented, “The Company branding and website has been updated to reflect Archer’s vision and values around transforming our mineral resources into the advanced materials needed to drive the new order of performance required by future industries and technologies. We invite shareholders to visit the new website at www.archerx.com.au and to register to our mailing list on the site to receive regular updates.”

“Archer remains well funded following the over-subscribed Share Purchase Plan in November last year, and we will be providing further updates and presentations with respect to the graphene and advanced materials related business activities in the coming weeks.” Dr Choucair concluded.

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