

ASX Announcement (ASX:AXE)

19 November 2018

Drilling of Blue Hills Copper-Gold Project

Highlights

- RC drilling program planned for Hood, Hawkeye and Katniss Prospects at Blue Hills Copper Gold Project.
 - Drilling due to start first week of January 2019, testing several targets associated with large copper and gold in soils mineralisation and associated EM targets.
 - Drilling expected to take 3- 4 weeks with first results expected early February 2019
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Archer Exploration Limited (“Archer”, the “Company”) (ASX:AXE) is pleased to report on the upcoming reverse circulation (RC) drilling program at the Blue Hills Copper Gold Project, located approximately 240km north of Adelaide, South Australia.

The RC drill program involves the drilling of twelve holes for a total of 1,800 metres to an average depth of approximately 150m downhole. Drilling is planned at Hood, Hawkeye, Katniss and Legolas Prospects located within the larger Blue Hills Copper Gold Project area.

The aim of this RC drill programme is to test targets identified from geochemical, rotary air blast (RAB) and electromagnetic (EM) surveys conducted by Archer at Blue Hills. This work identified large areas of coincident copper and gold mineralisation in soils and shallow EM signatures. Several zones of potentially high-grade copper mineralisation will be targeted with the upcoming RC drill program.

Exploration at Blue Hills Copper-Gold Project

The near-surface geology of the larger Blue Hills Copper Gold Project area has been interpreted from previous geochemistry, RAB drilling and geophysical surveys conducted by Archer.

The soil sampling results identified three large copper anomalies at the +90ppm copper level (4.5 times background). The key areas identified by Archer so far, are:

- Hood (4km x 2km) which covers the Blue Hills copper workings and previous drilling undertaken by Archer (ASX announcements 07/06/17 and 27/06/17).
- Hawkeye (1.5 x 1km) located on the SE edge of the large 25km² demagnetised feature.
- Katniss (1km x 0.5km) located in the NE of the feature (Figure 1).

As a consequence of these positive results, Archer flew a 373-line kilometre airborne electromagnetic survey (AEM) in February 2018 to cover the three soil copper anomalies defined to date and the co-incident demagnetised feature described above (ASX announcement 09/03/18). The survey was flown at a height of 30m with close line spacings (100m and 200m)

over prospects Hood, Hawkeye and Katniss and larger spacings (up to 1,000m) over previously untested areas.

The AEM survey identified a number of bedrock conductors co-incident with, and adjacent to, the soil copper and gold anomalies at Hood, Hawkeye and Katniss. Two of these new anomalies, located to the south and south east of Hood, Hawkeye and Katniss, have been named Legolas and Ygritte.

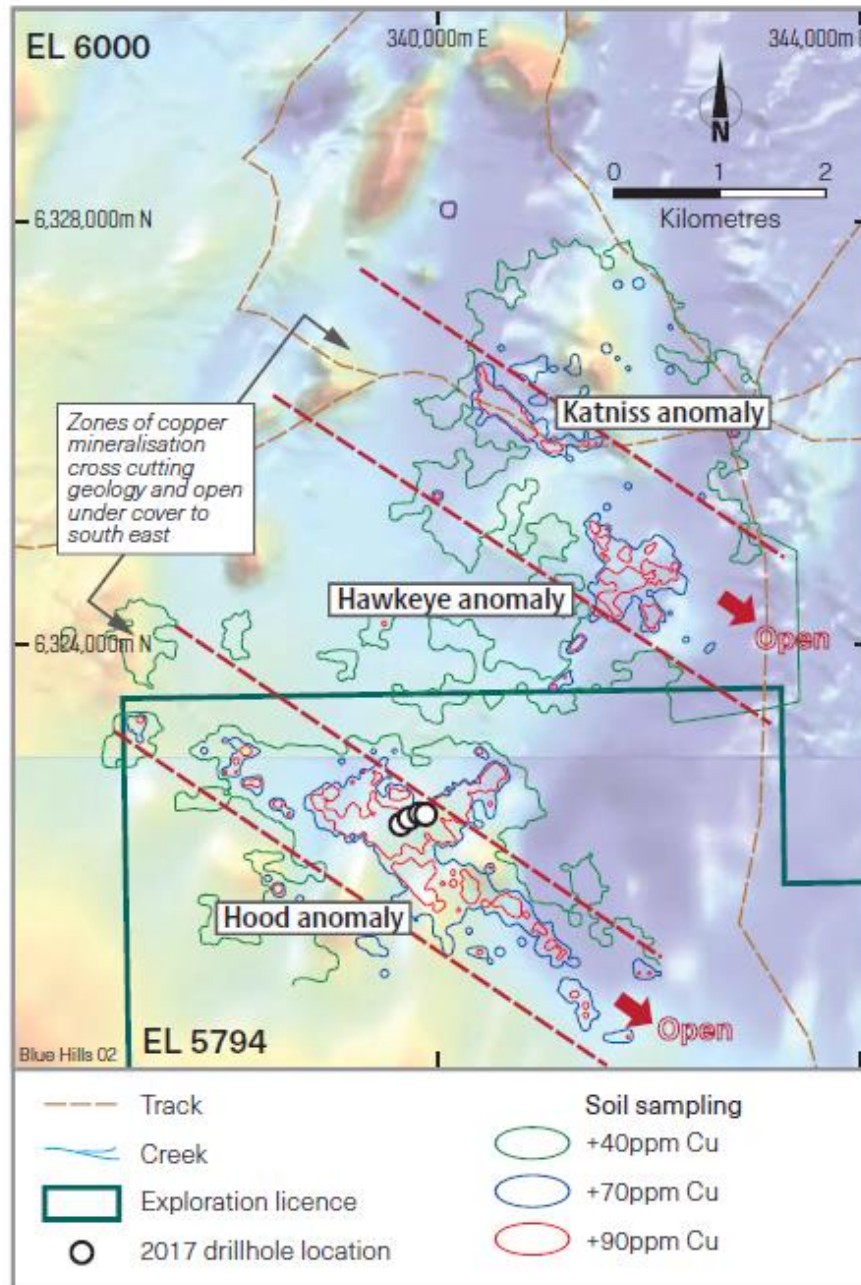


Figure 1: Location of the Blue Hills soil copper anomalies on aeromagnetic background.

A RAB geochemical drilling program was completed by Archer at Blue Hills in early 2018, comprising 234 holes for 2,955m. The drilling intersected strong anomalous copper and

widespread gold in bedrock. The key objective of the drilling was to confirm the presence of copper in the bedrock at Hood, Hawkeye and Katniss as well identify any anomalism under cover at both Ygritte and Legolas (which could not be sampled using soils). This was successfully achieved for the limited drilling undertaken (ASX announcement 28/05/18), while the other significant EM targets (under cover) have not yet been drill tested and some of these targets will be drilled during the upcoming RC drilling program.

The proposed RC drill program

The Hood, Hawkeye and Katniss anomalies tend to have a NW-SE orientation similar to the mineralised vein orientation observed at the Blue Hills copper workings drilled by Archer in May/June 2017 and the trend of the anomalies clearly crosscuts stratigraphy (Figure 1) supporting an epigenetic origin for the mineralised trends. The Hood anomaly remains open to the SE and the Katniss anomaly is open to the NW.

The RC drill program involves the drilling of twelve holes for a total of 1,800 metres and has been designed to test the Hood, Hawkeye and Katniss Prospects as well as the anomaly (Legolas) identified from electro-magnetics. Drilling is scheduled to take 3 - 4 weeks with samples to be submitted for assay progressively during the drilling campaign. Assay results will be announced as they become available.

About Archer Exploration

Archer provides shareholders exposure to innovative technologies and the advanced materials that underpin them. The Company has a focused strategy targeting globally relevant advanced materials markets of human health, reliable energy, and quantum technology. Archer is well positioned to execute on its strategy.

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

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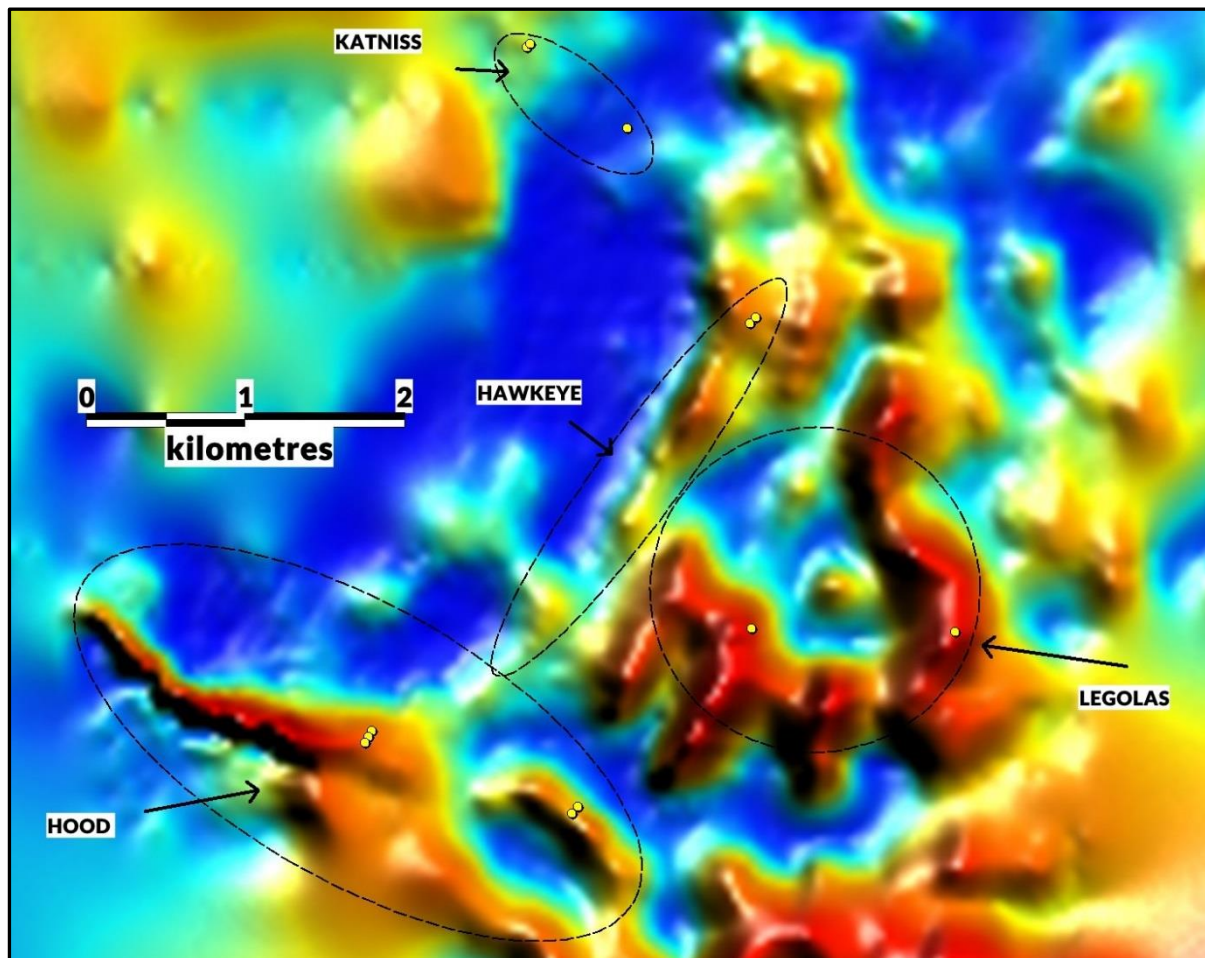


Figure 2. Location of planned holes (yellow) over EM image.

Competent Person Statement

The information in this announcements 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.