

ASX Announcement (ASX:AXE)

8 February 2019

Satisfaction of condition for sale of Sugarloaf Farm Land

Highlights

- Buyer has informed Archer that the “subject to finance” condition has been satisfied - Sale Agreement for Sugarloaf farm land is now unconditional.
 - Settlement scheduled to occur on 1 July 2019 with Archer to receive total cash consideration of \$1.35 million for sale of Sugarloaf farm land.
 - Archer has realised \$3.35 million from the sale of non-core assets in FY 2018/19.
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Archer Exploration Limited (“Archer”, the “Company”) (ASX:AXE) is pleased to announce that the condition precedent to settlement under the contract (the “Sale Agreement”), for the sale of the Sugarloaf farm land has been satisfied.

In November 2018 (ASX announcement 28/11/18) Archer announced that it had sold the Sugarloaf farm land for \$1.35 million. Settlement under the Sale Agreement is subject to (the “Condition”) the buyer obtaining finance by 1 February 2019. The buyer has notified Archer that the Condition has been satisfied and that settlement is to take place on 1 July 2019.

The Sugarloaf farm land is contained within Archer tenement EL 5920 and hosts the Sugarloaf carbon deposit and the proposed site of the Sugarloaf Graphite Processing Facility, which will be used to process the graphite from the nearby Campoona mining lease.

Under the terms of the Sale Agreement, Archer will sell the entirety of the Sugarloaf farm land but maintains an option to buy back approximately 30% of the Sugarloaf farm land, which will be required for the construction of the Sugarloaf Graphite Processing Facility. The option to buy back part of the land can be exercised by Archer any time during the next 20 years.

With the sale of the Sugarloaf farm land and the sale Leigh Creek Magnesite Project in July 2018, (ASX announcement 02/07/18) the Company has now realised \$3.35 million in asset sales.

For further information, please contact:

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Shareholders

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

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