

ASX Announcement (ASX:AXE)

1 July 2019

## Sugarloaf land sale completed

### Highlights

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- Completion of sale of Sugarloaf farm land.
  - Archer has received \$1.35 million cash from purchasers.
  - After receipt of funds, Archer has over \$2.0 million in cash and is well funded to develop its Advanced Materials and Exploration businesses.
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Archer Exploration Limited (Archer, Company) is pleased to announce that the Company, through its wholly owned subsidiary Archer Pastoral Company Pty Ltd, has today completed the sale of the Sugarloaf farm land located on the Eyre Peninsula. At completion, Archer received a payment of \$1.35 million resulting in the Company having over \$2.0 million cash in bank to fund its work programs.

Finalisation of the sale of the Sugarloaf farm land leaves Archer in a very strong cash position and well placed to continue the development of the <sup>12</sup>CQ Project that aims to commercialise a world-first quantum computing processor chip technology.

#### 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?lang=en>

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

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### **Background to the transaction**

Archer purchased the Sugarloaf farm land (Land) in April 2013 as the proposed future site of the Sugarloaf Graphite Processing Facility (Processing Facility). At the time of the acquisition, the final size of the Processing Facility and associated tailings dam was unknown. Since 2013, Archer has finalised the design and areal extent of the Processing Facility, and as a result, the Company made the decision to sell the Land to release funds for other activities.

Late last year, the Company signed a binding sale agreement (Sale Agreement) for the sale of the Land (ASX Announcements 28 November 2018 and 8 February 2019). Under the terms of the Sale Agreement, Archer has sold the entirety of the Sugarloaf farm land but maintains an option to buy back approximately 30% of the Land, which will be required for the construction of the Processing Facility. The option to buy back part of the land can be exercised by Archer any time during the next 20 years.

### **About Archer**

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