

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

30 November 2020

Chairman's 2020 AGM address

Good morning and welcome to the Annual General Meeting of Archer Materials Limited. Today is our thirteenth AGM and our first virtual AGM. While COVID-19 restrictions mean that we will be unable to hold a physical AGM, the virtual AGM allows us to engage with our overseas shareholders and those shareholders who are traditionally unable to attend our shareholder meetings.

Despite the havoc caused by the COVID-19 pandemic, we have achieved considerable progress in the transition of the Company away from mineral exploration and toward materials technology. Throughout the year, the focus on the Advanced Materials Business increased significantly. In less than two years since announcing the commencement of our 12CQ project, we have made substantial progress on creating a new culture and identity, while maintaining our habit of doing high-quality work cost-effectively.

The Company's 2020 Annual Report describes in more detail the activities completed during the 2019/20 financial year. However, I will now highlight some of the more important achievements.

During the year we delivered all that we announced at the start of the year and more. We further sharpened Archer's strategic focus on Quantum Technology, Human Health and Reliable Energy. We continued to divest non-core exploration tenements and assets as a means of funding the Advanced Materials Business, and on 2 July 2020 completed the divestment of the Leigh Creek Magnesite Project for \$2.8 million. Our exploration tenements are no longer core to our materials technology strategy, and we will continue to sell our mineral exploration projects to fund our Advanced Materials Business.

Our primary focus during the past 12 months has been on the development of the room temperature quantum computer chip. We believe that over the next few years that quantum computing will move from the high-tech lab to mainstream commercial use, representing the next major breakthrough in modern IT. Quantum computing represents a sweeping technological breakthrough that is set to change so much of the way we work and interact.

Our most notable transaction during the year was the collaboration agreement with IBM. As part of the contract between Archer and IBM, Archer is the first Australian Company building a quantum computing qubit processor to join the global IBM Q Network as an ecosystem partner. We have already begun accessing IBM's quantum computing expertise and resources, and open-source Qiskit software and developer tools.

During the year, we continued to develop IP associated with a potential solution to graphene-based biosensors capable of complex detection of disease. A set of new graphene materials has been designed by Archer that could be directly applied for enhanced biosensing. Technologically, we have made considerable progress with developing the biosensing interface, data processing, and design and fabrication of materials electrodes critical to the biosensor technology function and will continue this work in 2021.

At times over the past few years, Archer has been perceived to be a complicated and diverse company. Dr Choucair and his team have worked hard to simplify the way we explain our business to potential investors, brokers and analysts. More and more, people now "get" our

story and understand what drives our strategy and vision. In building a deep tech company, we have not limited our vision to the next quarter or even to the following two but are re-shaping the Company for the next 20 or 30 years.

We are now the only ASX listed Company that offers shareholders exposure to the ever-growing world of quantum computing. By developing our Advanced Materials Business, we have laid the foundation for a new era of technology and business. We have made considerable progress in a short amount of time, and it's easy to forget that we are still in the early stages of a long cycle of a technological revolution.

With our Advanced Materials Business, we have deliberately selected technologies that we believe can make a real contribution to society and help to find solutions to global challenges. We believe that this strategy will enable us to optimise value for our shareholders and have a long-term positive impact on the Company.

Quantum computers, our graphene biosensors and other advanced technologies are changing the very nature of our work. To keep up with the rate and pace of these changes, Archer has been growing our team and recruiting skilled technicians. At the heart of our workforce transformation is the recruitment of employees with relevant skills and access to world-class equipment, laboratories and experts. Over the last two years, we've increased our hiring of technology focussed roles, and this will continue into 2021.

It has not been easy to drive the transformation of Archer while also meeting the needs of shareholders and potential investors. We have had to carry out this transformation in an environment that was not favourable to this change. Today, Archer is considerably more robust than it was two years ago. Although we have already seen an increase in our share price, we are convinced that the share price still has further growth potential to reflect the true value of the Company better. The transformation of a company with 13 years of history requires both effort and time, and we are starting to see the positive results of these efforts.

Archer is now set for a future that is different from its past, but some things won't change. We will continue to conduct all of our activities professionally, cost-effectively and to a high standard.

On behalf of the Board, I would like to take this opportunity to thank all our employees for their dedication and energy in making 2020 a success. We also express our gratitude to our industry and research partners with who we have developed a healthy relationship. Finally, we thank our shareholders for your continued support, trust and confidence.

About Archer

A materials technology company developing innovative deep tech in quantum computing, biotechnology, and reliable energy. The Company has strong intellectual property, world-class in-house expertise, a unique materials inventory, and access to Tier 1 technology development infrastructure.

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

General Enquiries

Mr Greg English
Executive Chairman

Mr Damien Connor
Company Secretary and CFO
Tel: +61 8 8272 3288

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>