

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

15 March 2021

Eyre Peninsula tenements – sale update

Highlights

- The buyer has completed its due diligence enquiries and issued a Notice to Proceed to Completion.
 - Archer has received a \$100,000 payment.
 - The buyer intends to list on ASX later this year.
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Archer Materials Limited (“Archer”, the “Company”, “[ASX: AXE](#)”) is pleased to provide this update on the sale of mineral exploration licences EL 5815 and EL 5920 (“Tenements”) to Baudin Minerals Pty Ltd (“buyer”). The Tenements are located on South Australia’s upper Eyre Peninsula.

Background

The Tenements host the Kelly Tank kaolin project, the Jamieson Tank manganese project and numerous copper and gold targets. The terms of the Tenements sale and purchase are set out in detail in the ASX announcement dated [22 December 2020](#). In summary:

- The sale and purchase of the Tenements are subject to satisfaction or waiver of the following three conditions precedent: the buyer has satisfied itself as to its due diligence enquiries and issuing a Notice to Proceed and paying the amount of \$100,000 to Archer (Notice to Proceed); South Australian Government approval to the sale of the Tenements; and the buyer listing on a stock exchange.
- Completion occurs on the earlier of the tenth business day after the Cut-Off Date, and such other date agreed between the buyer and Archer.

Update on activities

The Company can confirm that it has received a Notice to Proceed and confirmation from the buyer that the amount of \$100,000 has been paid to Archer. This means that the Notice to Proceed condition precedent has been satisfied. Archer has lodged with the South Australian government the appropriate forms for the grant of Ministerial consent.

Completion was scheduled to occur on 30 June 2021 (“Cut-Off date”) or such other date agreed by Archer and the Buyer. In addition to the giving of the Notice to Proceed, Archer and the buyer have agreed to amend the original sale and purchase agreement by:

- extending the Cut-Off date by two months from 30 June 2021 to 31 August 2021; and
- changing the two Cut-Off date extension periods from three months per extension (i.e. to 30 September 2021 and 31 December 2021) to two months per extension (i.e. to 31 October 2021 and 31 December 2021).

The Company is aware that the buyer has been undertaking detailed geological and metallurgical test work on the Kelly Tank kaolin project to develop a high purity alumina project. Archer has previously announced a High Purity Alumina Exploration Target at Kelly Tank and Bunora prospects that does not include additional High Purity Alumina (HPA) prospects outside of the Exploration Target area (ASX ann. [19 Aug 2019](#))[†].

In addition to the HPA work, the buyer has advised that it intends to actively explore the Tenements for copper and gold after the buyer successfully lists on a stock exchange (most likely the ASX).

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.

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Website:

<https://archerx.com.au/>

Twitter:

<https://twitter.com/archerxau?lang=en>

YouTube:

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

Sign up to our Newsletter:

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[†] Archer confirms that it is not aware of any new information or data that materially affects the results included in the ASX announcement titled "Eyre Peninsula High Purity Alumina Exploration Target" dated 19 August 2019.