

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

8 October 2021

Update on iTech transaction

Archer Materials Limited (“Archer”, the “Company”, “[ASX:AXE](#)”) is pleased to provide shareholders with an update on the status of the sale of the Company’s mineral exploration business to iTech Minerals Ltd (“iTech”).

Under the sale agreement with iTech, Archer has agreed to sell its mineral exploration business to iTech, in return for 50 million iTech shares (the “Transaction”), which Archer will distribute to eligible Archer shareholders (the “In-Specie Distribution”).

The iTech initial public offering closed last week after achieving the maximum subscription amount of \$7 million. Accordingly, all conditions precedent to completion of the Transaction have been satisfied or waived and completion will take place on 14 October 2021 (the “Completion Date”). As of the Completion Date, Archer will no longer hold any mineral exploration tenements and will be solely focused as a pure-play deep technology company.

Today, the Company lodged an Appendix 3A.5 which sets out the estimated dates, distribution ratio and other information relevant to the In-Specie Distribution. Some of the key dates and the approximate distribution ratio is summarised below:

Record Date ⁽¹⁾ <i>(Appendix 3A.5, Question 3.1)</i>	13 October 2021
Issue of iTech shares <i>(Appendix 3A.5, Question 3.5)</i>	14 October 2021
Issue of iTech Holding Statements <i>(Appendix 3A.5, Question 3.5)</i>	18 October 2021
Distribution ratio ⁽²⁾ <i>(Appendix 3A.5, Question 4.3)</i>	approx. 4.78

- (1) Only those investors registered as a holder of Archer shares on the Record Date (“Eligible Shareholder”) are entitled to receive iTech shares under the In-Specie Distribution.
- (2) The distribution ratio is an estimate based on the number of Archer shares on issue and the number of registered Archer shareholders as at the date of this announcement. The final distribution ratio will be determined on the date of issue of the iTech shares. The distribution ratio represents the number of Archer shares held by an Eligible Shareholder to receive one iTech share, rounded up to the nearest whole number. For example, if an Eligible Shareholder holds 10,000 Archer shares, then they will be entitled to receive approximately 2,092 iTech shares.

About Archer

Archer is a technology company developing advanced semiconductor devices, including chips that are relevant to quantum computing and medical diagnostics. Archer’s flagship development, the ¹²CQ chip, is a world-first qubit processor technology that could allow for quantum computing powered mobile devices (‘QPMDs’). For more information, please view Archer’s [webinar](#) with IBM.

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

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