

ASX ANNOUNCEMENT / MEDIA RELEASE

8th March 2012

General Manager
 The Company Announcements Office
 Australian Securities Exchange

New gold system identified at Bartel, Cleve District, Eyre Peninsula

Highlights

- Gold up to 2g/t reported within large hydrothermal alteration halo at Bartel.
- Poly metallic mineralisation comprising gold, silver, arsenic, copper, molybdenum ± fluorite and +0.1% Cerium.
- Further exploration is planned as an adjunct to future graphite work programmes.

Archer Exploration Limited completed a drill programme testing the Company's main graphite deposits in February 2012. Results of the graphite drilling are expected within two weeks. As a part of that drilling campaign three (3) RC drill holes were completed on the Bartel epithermal prospect which is located on EL4693 Wildhorse Plain 15km north of the township of Cleve on Eyre Peninsula, South Australia (Fig 1).

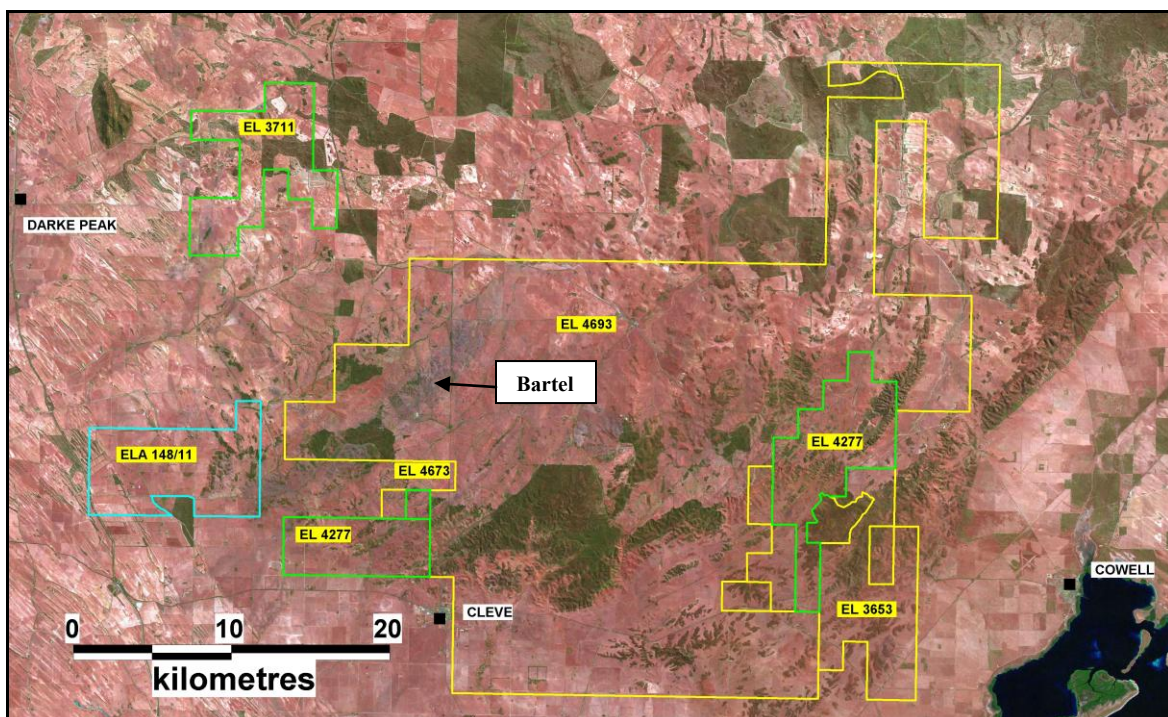


Figure 1. Archer's Graphite Tenements and Interests in the Cleve Area of South Australia showing the location of the Bartel Epithermal exploration target.

Historic Exploration

The immediate Bartel area was seen by early explorers as a likely uranium target. Kerr McGee completed diamond drilling on what they designated as the A405 target but did not report the presence of uranium. Archer re-sampled the available drill core and in October 2010 reported anomalous gold. The most significant results from the sampling of 6 Kerr McGee diamond holes were:

A405/2	32.3m to 48.8m	16.5m @ 0.32 g/t Au; 7.43 g/t Ag; 146ppm Mo
A405/3A	31.4m to 37.2m	5.8m @ 0.48 g/t Au; 2.93 g/t Ag

The re-assaying was the first time that anomalous gold had been identified in the Cleve district. Intense alteration is dominated by silica, fluorite, clay, iron and minor sulphide. Colloform banded quartz veining has also been observed.

February 2012 Drill Campaign

Three RC drill holes (EPIRC12_001 to 003) were drilled for 304 metres in what is now termed the Bartel prospect to further test the previous gold anomalism. The three holes were drilled to intersect the EW trending mineralisation which has resulted from the strong alteration of a dolomite host unit.

- EPIRC12_001 intersected a dolomitic unit that has undergone stylolitic quartz and manganese veining with minor brecciation. The significant gold intervals occur within a chlorite rich shear zone.
- EPIRC12_002 intersected silica and manganese altered dolomite, with minor fluorite. This hole appears to have intersected host rock alteration only.
- EPIRC12_003 intersected a highly weathered quartz kaolin unit which showed similar alteration to hole 001. No significant gold assays were received for this hole but the alteration is noteworthy due to elevated REE's, (ie Ce up to 3900ppm; Nd 1800ppm).

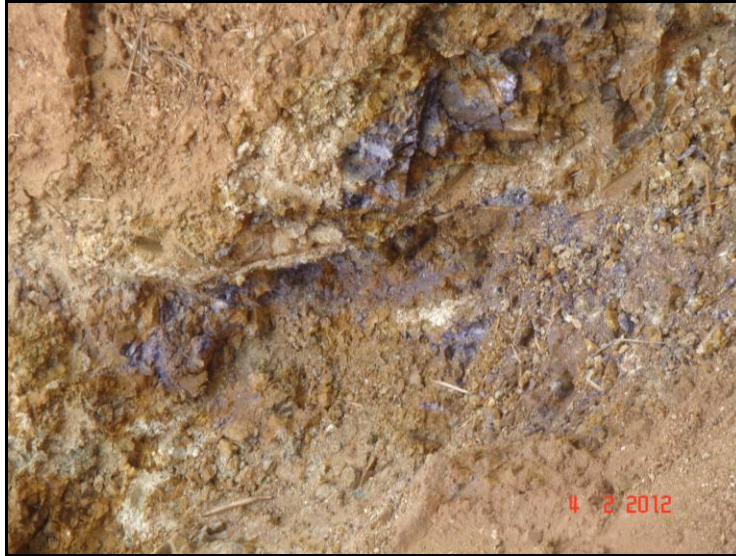


Plate 1. Fluorite in outcrop near EPIRC12_002



Plate 2. Alteration of host rocks near to hole EPIRC12_003

Table 1 Gold intercepts at Bartel

Hole ID	From	To	Interval	Au g/t	Ag g/t	Co ppm	Mo ppm	As ppm
EPIRC12_001	79	107	29	0.57	4	560	95	1200
Incl.	84	85	1	2.15	6	1090	160	2760

Significance of Anomalous Gold

The widespread alteration geochemistry suggests the Bartel prospect to be a low sulphidation hydrothermal (epithermal) alteration system. The area of known alteration is very large being at least 1.5km x 1.2km in dimensions and is seen to extend under cover.

Low sulphidation epithermal alteration systems often record strong vertical mineral zonation and can host bonanza grade gold veins. In such systems gold is often concentrated through a combination of ground preparation (permeability) and rheological contrast.



Plate 3. Drilling of EPIRC12_001

Follow up work will include mapping and sampling the system across the neighbouring properties, as well as the implementation of a geophysical survey to assist in the delineation of the system. Further drilling will be planned to determine if vertical mineral zonation is present and to test for gold mineralisation peripheral to the existing intercepts and at depth.

This follow up work will happen systematically behind the graphite focus of the Company.

For further information please contact:

Mr Greg English
Chairman
Archer Exploration Limited
Tel: (08) 8272 3288

Mr Gerard Anderson
Managing Director
Archer Exploration Limited
Tel: (08) 8272 3288

The exploration results reported herein, insofar as they relate to mineralisation, are based on information compiled by Mr. Wade Bollenhagen, Exploration Manager of Archer Exploration Limited. Mr. Bollenhagen is a Member of the Australasian Institute of Mining and Metallurgy who has more than eighteen years experience in the field of activity being reported. Mr. Bollenhagen consents to the inclusion in the report of matters based on his information in the form and context in which it appears.