

27th June 2012

**ASX ANNOUNCEMENT / MEDIA RELEASE**

**COMMENCEMENT OF GEOPHYSICAL SURVEY**

**Highlights**

- An airborne RepTEM survey has commenced over strike extensions of the Campoona Graphite Deposit and the Company’s other regional graphite targets in the Cleve District where historic exploration has recorded flake graphite.
- The EM survey is expected to be completed within seven (7) days.
- The survey is expected to provide very high quality mapping of the highly conductive graphite horizons and permit accurate positioning of future drill programs.

Archer Exploration Limited (“Archer”) advises that a program of 2,000 line km of RepTEM has commenced over Archer’s Campoona Graphite Deposit and its northeastern and southwestern strike extensions as well as covering Archer’s main regional graphite targets (Figs 1 & 2).

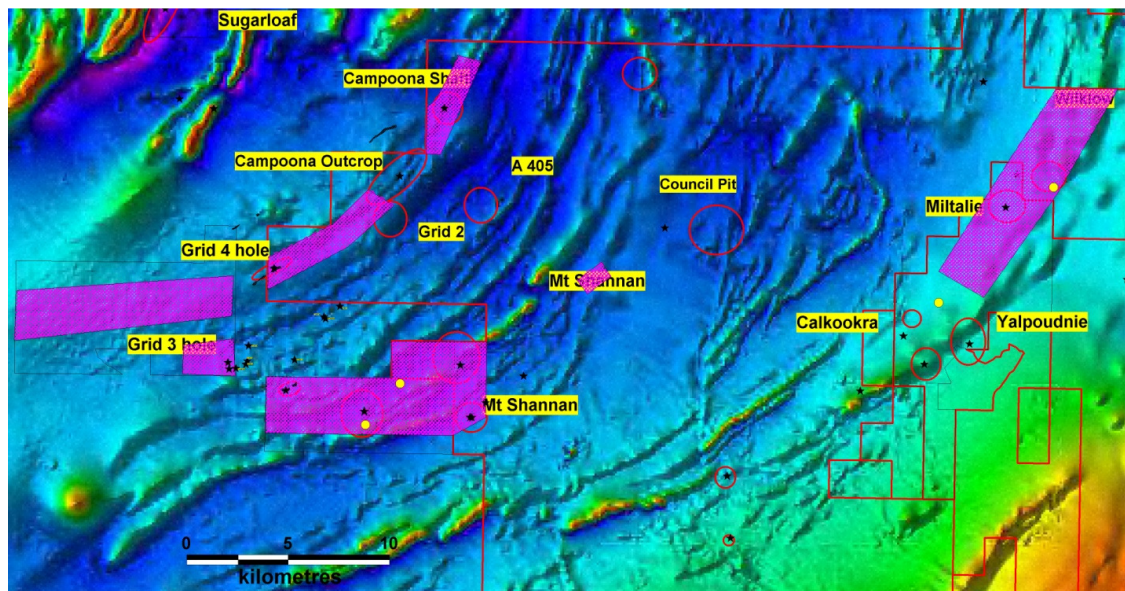
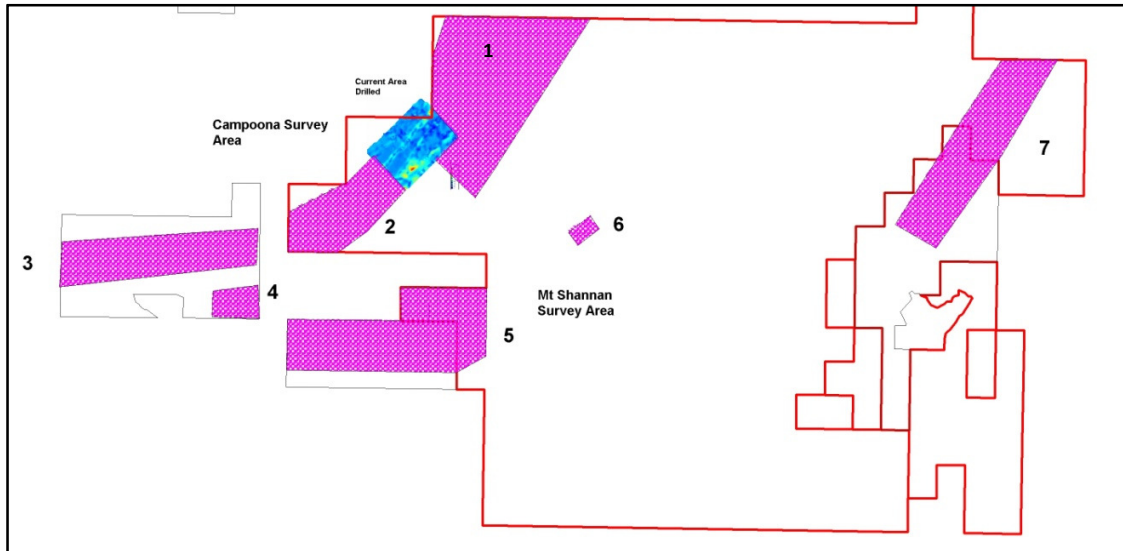


Figure 1. Location of EM Survey areas.



**Figure 2. Location of survey areas, with Campoona Central Area EM inserted.**

The Company's 100% owned Campoona Graphite Project is located approximately 12km north of the township of Cleve on Eyre Peninsula, South Australia.

An early aerial survey was conducted over the Campoona Central Area, immediately around the Campoona South outcrop. The data collected from that airborne survey enabled accurate position of drilling in areas where graphite was concealed beneath soil cover.

The survey is being flown by Geosolutions Pty Ltd and is divided into 3 areas:

- Areas 1 to 3 (Fig. 2) cover the extension of the Campoona Graphite Deposit.
- Areas 4 to 6 cover the widespread Mt Shannan graphite occurrence.
- Area 7 covers the Wilklow to Miltalie occurrences that have previously recorded large flake graphite.

RepTEM is a proprietary time domain EM system that is slung below a helicopter with the system sensor positioned 30 metres above ground surface. The survey is expected to provide very high quality mapping of the highly conductive graphitic horizons and allow the accurate positioning of subsequent drilling.



**Plate 1. RepTem survey (Photo courtesy of Geosolutions Pty Ltd)**

It is anticipated that the survey will take 7 days to complete with a further 4 to 6 weeks to process the data.

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*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.*