

13th October 2012

ASX ANNOUNCEMENT / MEDIA RELEASE

LONSDALE METALLURGICAL FACILITY

The Board of Archer is pleased to announce that the Company has established a sample processing facility at Lonsdale in southern Adelaide. All graphite trench and diamond drill samples from Campoona Shaft and Sugarloaf were transferred to the facility in late September where preparation of composite samples is underway.

The facility provides Archer with a metallurgical workshop and bulk sample storage area. The facility has been set up for weighing, washing, wet screening, drying, crushing, splitting and blending of specially prepared bulk samples to be sent to commercial laboratories for flotation tests.

Further in-house testing capability is being developed to allow for the bench scale testing of differing extractive processes. Ore microscopy has also been established to provide visual assessments of performance of intermediate processing steps.



Plate 1. Trench samples and diamond drill core arriving at Lonsdale.



Plate 2. Facility in early stage of establishment



Plate 3. Sample screening

The metallurgical facility under Dr David Lock will play an important role in defining the optimum process design for producing graphite concentrates from Campoona graphite ores. Over time the facility will be used to test several regional graphite targets including Sugarloaf.

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 has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" relating to the reporting of Exploration Results. Mr. Bollenhagen consents to the inclusion in the report of matters based on his information in the form and context in which it appears.