

## Eyre Peninsula Graphite Project achieves further milestone



ASX Code: AXE

### Directors

Greg English  
*Chairman*

Gerard Anderson  
*Managing Director*

Tom Phillips AM  
*Director (Non-Executive)*

Alice McCleary  
*Director (Non-Executive)*

### Company Secretary

Damien Connor

### Shares on Issue

84.5 million

### Unlisted Options on Issue

23 million Performance Rights

### Key focus

Eyre Peninsula Graphite  
Project (includes Campoona,  
Sugarloaf and Waddikee)  
Additional portfolio  
opportunities: magnesite,  
manganese, copper and gold



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### Long term supply of process water for Sugarloaf secured

Archer Exploration Limited ("Archer" or the "Company") is pleased to announce that it has achieved another milestone in the development of the Company's Campoona and Sugarloaf graphite projects:

- Three groundwater monitoring bores (piezometers) were installed at the proposed Sugarloaf Processing site (Figure 1) to finalise inputs into the site design.
- No ground water aquifers were intersected during drilling of monitoring bores meaning that approvals for tailing storage facility will be simplified.
- Long term supply of process water for Sugarloaf has been secured.
- Mining Lease Proposal to be lodged in April 2015.

Archer's Managing Director, Gerard Anderson commented, "this is another milestone in the development of our Eyre Peninsula Graphite Project".

"We look forward to lodging our Mining Lease Proposal next month as momentum builds for the development of the Campoona Mine and Sugarloaf Processing Facility" said Mr Anderson.

"Being able to secure process water and a suitable tailings storage facility site supports our initial mine plans and our longer-term potential to expand the Campoona and Waddikee Projects. The ability to locate the Tailings Storage Facility without interfering with aquifers and the presence of a long term supply of process water are significant advantages for the development of the Campoona project" said Mr Anderson.

### Mining Lease Proposal Advances with Tailings Storage Facility Groundwater monitoring in place

Three groundwater monitoring bores (piezometers) were installed at the proposed Sugarloaf Processing site (Figure 1) to finalise inputs into the site design.

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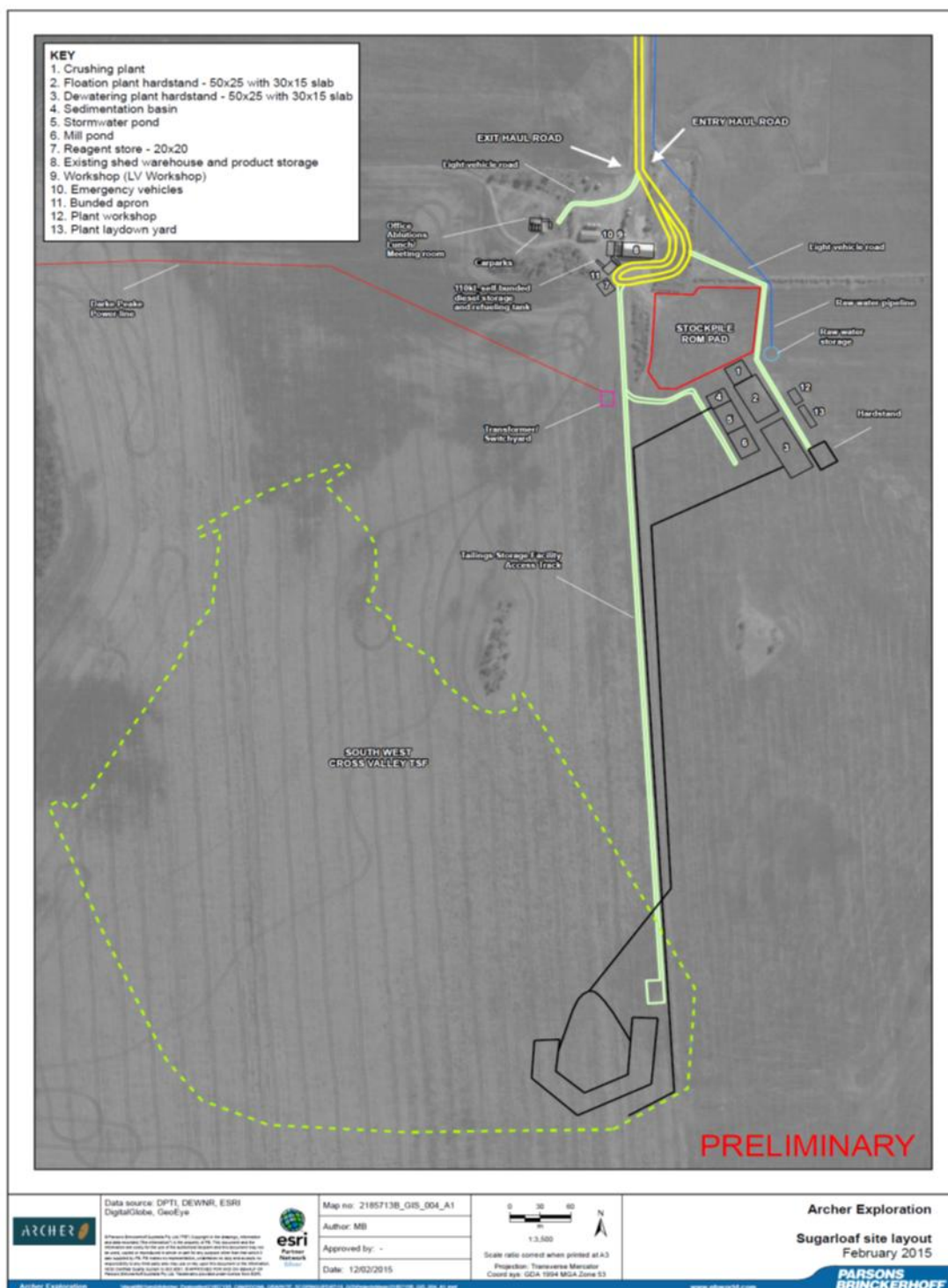
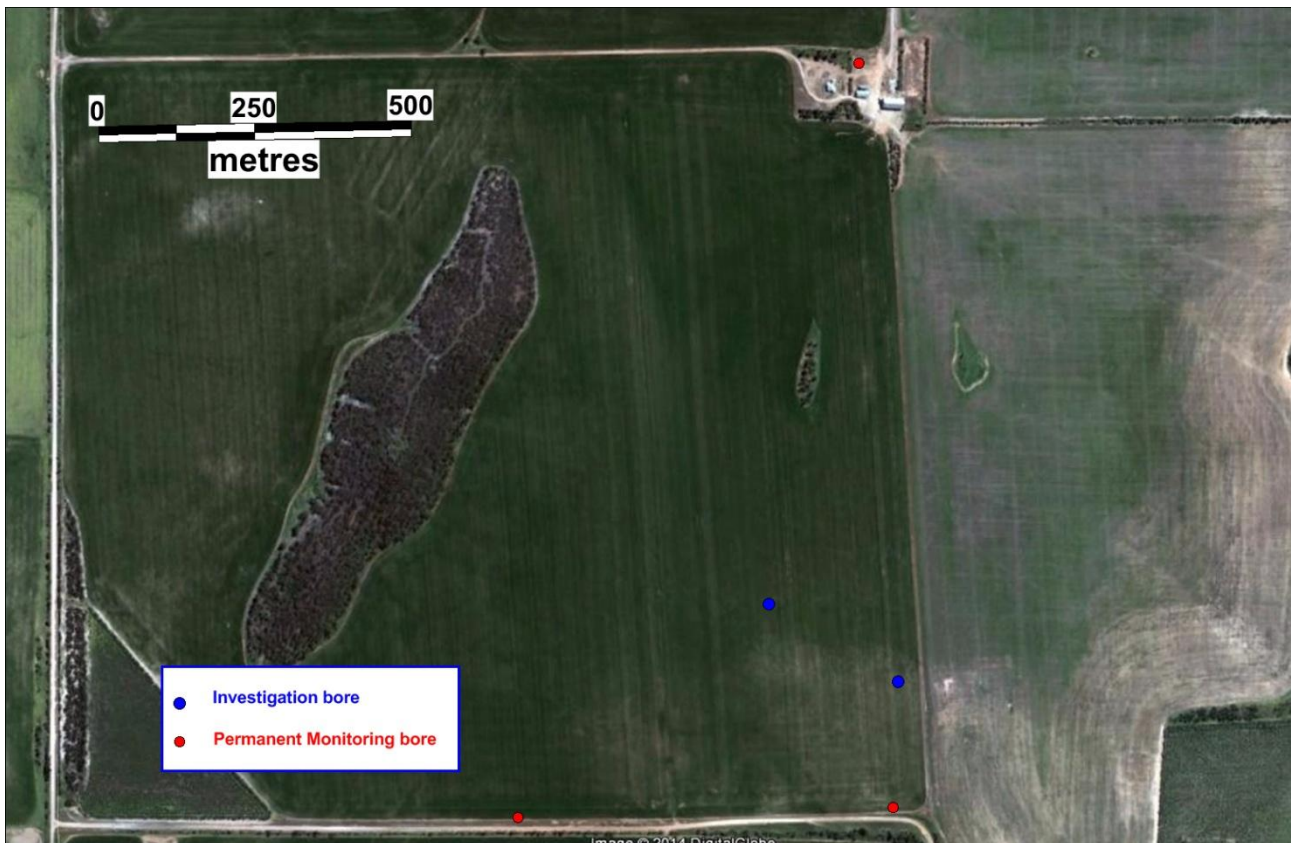


Figure 1. Sugarloaf Graphite Processing Facility site layout

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The proposed Sugarloaf Processing Facility is located on the Company owned Sugarloaf property which hosts the Sugarloaf Graphite Deposit. As a part of the Mining Lease Proposal (MLP) the Company has installed 3 piezometer bores for future tailings storage monitoring.

Figure 2 (below) shows the location of the bores in relation to the Tailings Storage Facility (TSF), two additional holes were drilled to understand the soil profile below the proposed TSF.



**Figure 2. Location of bores in SW corner of the Sugarloaf property**

No water was encountered in the construction of the bores.

### Process Water

Process water for the Sugarloaf graphite processing facility will be sourced from the nearby Pindari aquifer. Previously two holes were drilled to depths of 121 and 91m to test for flow rates and water quality as a source of water for graphite processing at Sugarloaf. The 121m deep hole was established as a future production bore. Pump testing demonstrated that the single production bore provided a sustainable yield of water of 52ML/year over a 20-year period. Water quality is 22,500 TDS which is ideal for process water but too salty, being two thirds as salty as seawater, for agricultural purposes.





**Plate 1. Pindari production water bore (foreground) and monitoring bore**

Approximately 100ML/yr of process water will be required to process up to 140,000tpa of Campoonna graphite ore. An additional production abstraction bore is to be constructed at the Pindari borefield during March. The second production bore is located 800 metres southwest of the existing bore and is expected to have similar long-term production capacity.

### **MLP Lodgment**

Compilation of the Mine Lease Proposal is well advanced and is currently being finalized with respect to the Mine Plan and the Mine Closure Plan. Archer expects that the Mine Lease Proposal will be lodged during the second quarter of 2015.

For further information please contact:

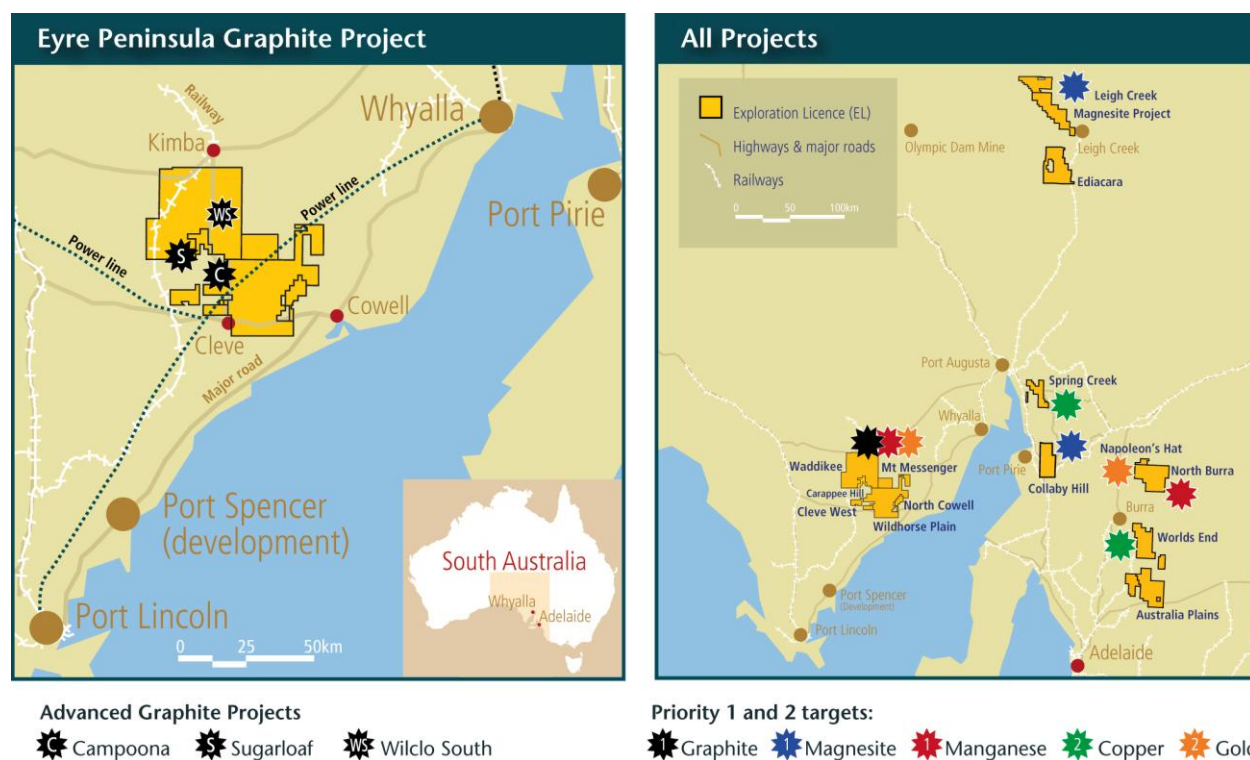
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Managing Director  
Archer Exploration Limited  
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## About Archer

Archer Exploration Limited is an Australian Stock Exchange listed company with 100% ownership of 17 tenements all in South Australia covering 6,060 km<sup>2</sup>.

Archer plans to submit a Mining Lease Proposal for the Campoona Shaft deposit and Sugarloaf processing facility to the South Australian Government second quarter of 2015.



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*The exploration results and exploration targets 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 2012 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.*