

ASX Announcement

30 September 2015

Leigh Creek Energy Signs Heads of Agreement

Highlights

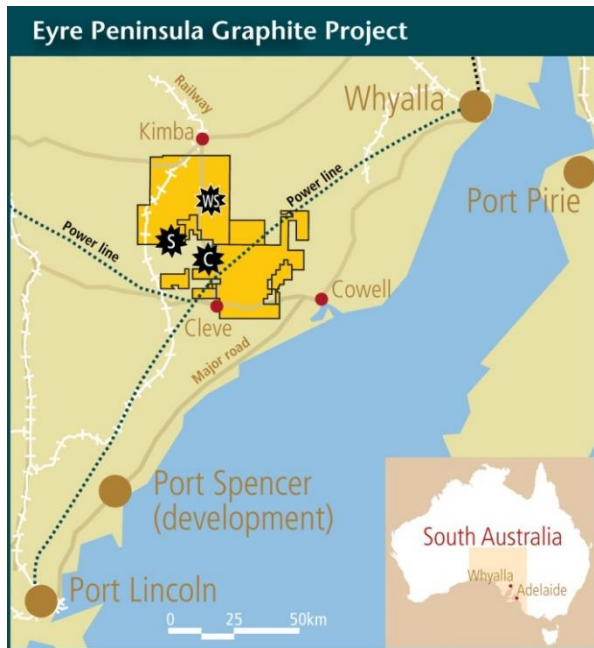
- Leigh Creek Energy Limited (LCK) has signed a Heads of Agreement with Archer Exploration to explore synergies on their respective Leigh Creek projects
 - The development of Archer's graphite resources remains the key focus for Archer. However, commercialisation of the Leigh Creek Magnesite resource is another project that has potential to transform the company and unlock shareholder value
 - Archer's magnesite project is the largest of its type in the world and one of the possible development pathways for this project includes the construction of a caustic calcined magnesia plant located close to LCK's proposed In Situ Gasification project
 - The magnesite project would require a large and constant energy input as part of the production process making it a logical customer for LCK's proposed gasification project due to its close proximity and the ability meet the input needs over the long project life
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Archer said "It is an exciting time for Archer Exploration with the significant progress that has recently been made towards the development our graphite assets. In addition, this new agreement signed with Leigh Creek represents an important step in the potential to realise substantial value from our world class magnesite asset. Our graphite and magnesite projects present transformational and long lasting projects which would be a welcome boost to the regional communities located in close vicinity to these resources, and offer the potential for the creation of significant shareholder value as these projects move towards production."

For further information please contact:

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Archer Exploration Limited is an Australian Stock Exchange listed company with 100% ownership of 15 tenements all in South Australia covering more than 5,000 km².



- Advanced Graphite Projects**
-  Campoona
 -  Sugarloaf
 -  Wilclo South



- Priority 1 and 2 targets:**
-  Graphite
 -  Magnesite
 -  Manganese
 -  Copper
 -  Gold