

ASX Announcement

1 June 2016

Last chance to buy discounted Archer shares

- **Opportunity to purchase Archer shares at discount¹ to current market price closes next Tuesday, 7 June 2016 at 5pm (Adelaide time).**
- **Funds raised will be allocated to magnesite, graphene and graphite development**

Archer Exploration Ltd (ASX:AXE) advises shareholders² that the opportunity to purchase Archer shares at a price of \$0.08 per share (a 19.19% discount to yesterday's closing price on ASX) under the company's Share Purchase Plan (**SPP**) closes at 5pm (Adelaide time) on Tuesday, 7 June 2016.

Shareholders who subscribe for shares under the SPP will also be entitled to apply for one free attaching unlisted option for every share allotted to them under the SPP. The free attaching options will have an exercise price of \$0.12 and expiry date of 30 June 2017.³

Funds raised via the SPP will primarily be used by the Company:

- to develop the company's Leigh Creek Magnesite Project; and
- to develop the graphite and graphene projects.

To apply for new shares, funds must be received no later than 5pm (CST) on 7 June 2016. The fastest way to apply and pay for your shares is by using BPAY. If you are an eligible shareholder and need a new personalised SPP Application Form, please call the company on (08) 8272 3288 or email Damien Connor, Company Secretary at dconnor@archerexploration.com.au.

We encourage all shareholders to read the Share Purchase Plan offer document lodged with ASX on 18 May 2016, posted to shareholders and available at www.archerexploration.com.au. This announcement is not investment advice and shareholders should consult their professional advisors before deciding whether or not to participate in the SPP.

For further information please contact:

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Tel: (08) 8272 3288

Mr Damien Connor
Company Secretary
Archer Exploration Limited
Tel: (08) 8272 3288

¹ Discount is based on yesterday's closing price on ASX of \$0.099. Shares are a speculative investment and there is a risk that the price of Archer shares on ASX may change between the date of this announcement and the date of issue of the new Shares under the SPP, and that the value of the new Shares received under the SPP may rise or fall accordingly.

² Only shareholders who were registered on 10 May 2016 may participate in the SPP.

³ Refer to SPP document lodged with ASX on 18 May 2016.

Archer Exploration Limited (ASX code AXE) has 100% ownership of 13 tenements all in South Australia covering more than 4,700 km².

