



ARCHER

ARCHER EXPLORATION LIMITED

Eyre Peninsula Graphite Project

Mining South Australia Conference

Whyalla, South Australia

25th – 26th November 2014

Gerard Anderson

Managing Director



Competent persons statement

The exploration results and Exploration Target 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 styles of mineralisation and types 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.

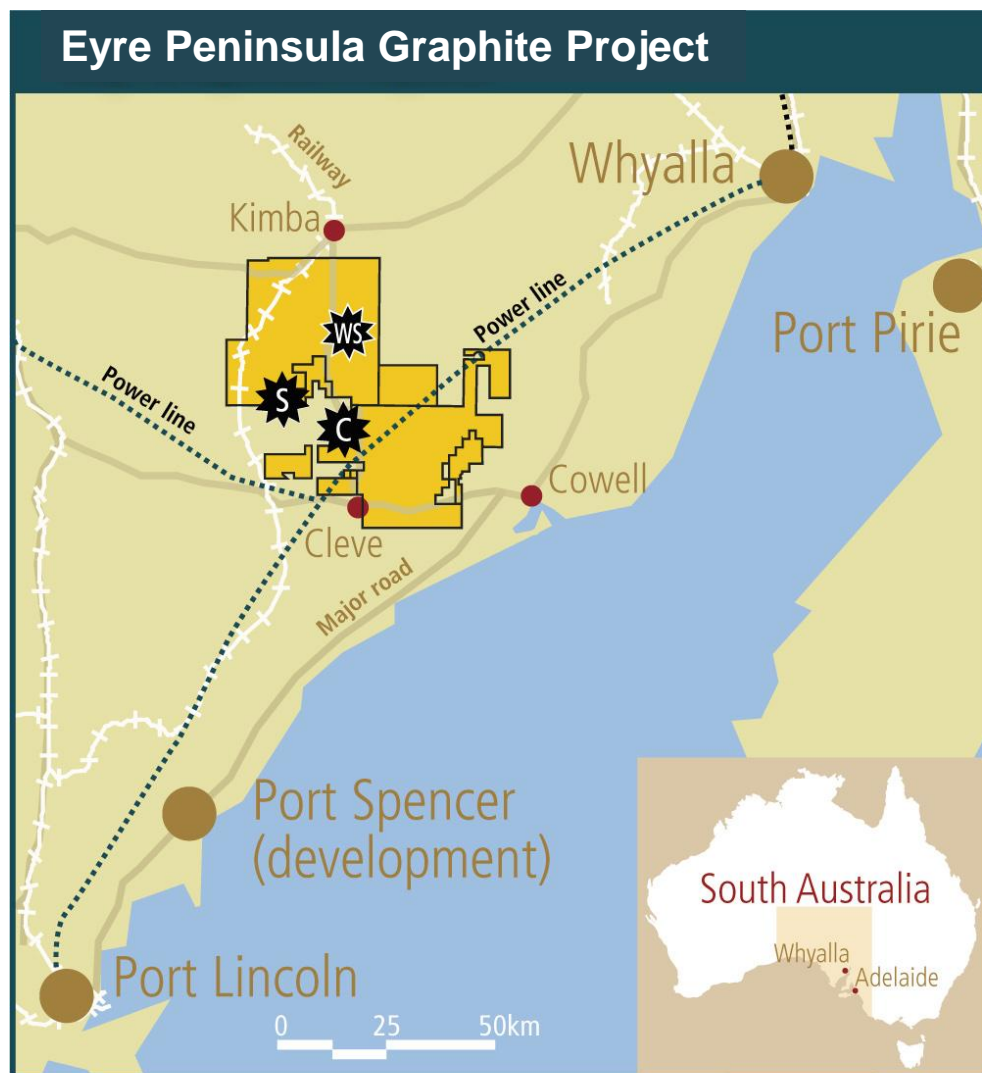
The information in this report that relates to the Campoona Shaft and Central Campoona JORC 2012 Mineral Resource estimation has been prepared by Mr B. Knell who is a Member of the AusIMM and peer reviewed by Dr. C Gee who is also a Member of the AusIMM (CP). Mr Knell is a full time employee of Mining Plus Pty Ltd and Dr. Gee is a full time employee of Mining Plus Pty Ltd., both have more than five years' experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Knell has consented in writing to the inclusion in this announcement of the Mineral Resource estimation information in the form and context in which it appears. This information was prepared and first disclosed under the JORC Code 2012.

Forward looking statements

The information in this presentation is published to inform you about Archer Exploration Limited and its activities. Some statements in this presentation regarding estimates or future events are forward looking statements.

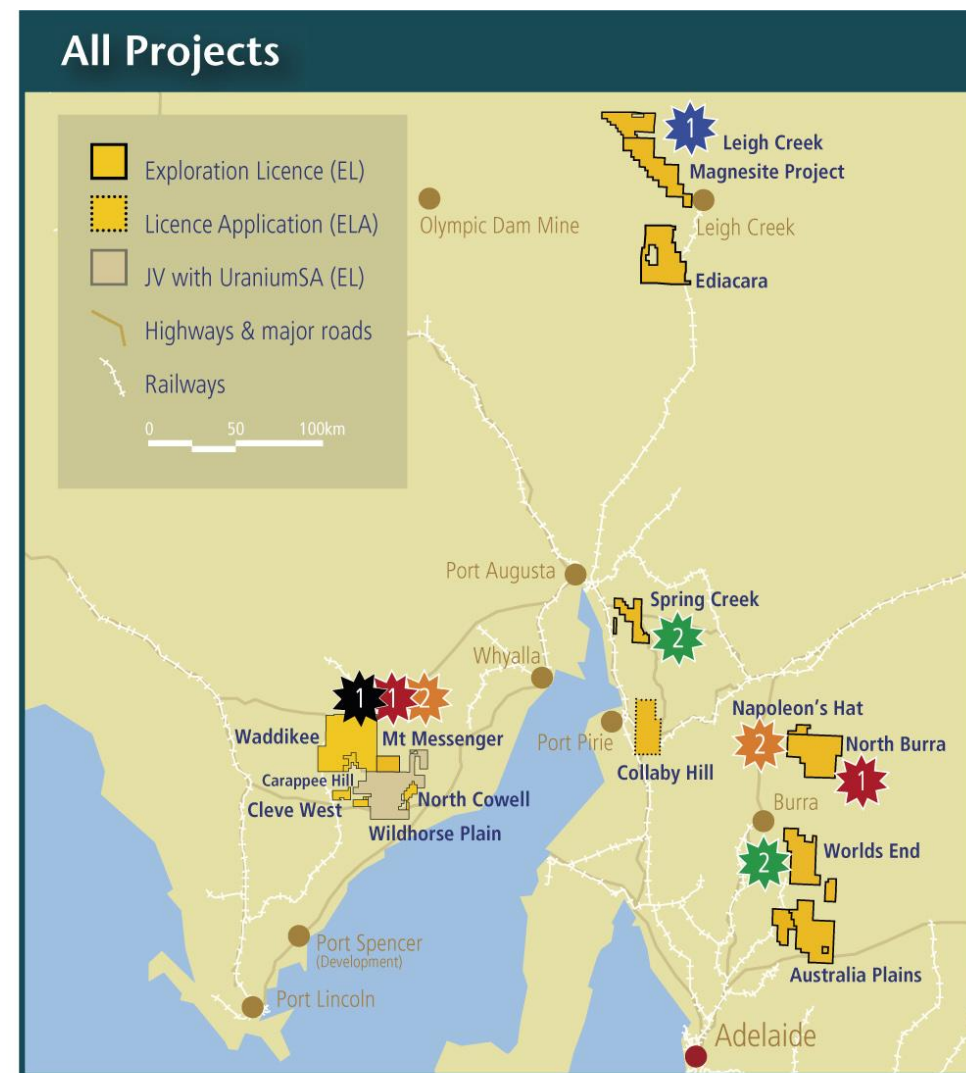
Although Archer Exploration Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results and outcomes will be consistent with these forward-looking statements.

Portfolio of high quality assets



Advanced Graphite Projects

Campoona
 Sugarloaf
 Wilclo South



Priority 1 and 2 targets:

Graphite
 Magnesite
 Manganese
 Copper
 Gold
 3

Significant graphite tenements

- Substantial tenement position (2,154km²) in graphite province
 - Waddikee EL4662 purchased on 23rd July 2014
- Key projects include Campoona Shaft, Central Campoona, and Wilclo South
- There are an additional 10 graphite prospects with large exploration upside
 - current contained resource likely to grow appreciably with further drilling
 - high quality EM has identified numerous distinct linear conductors

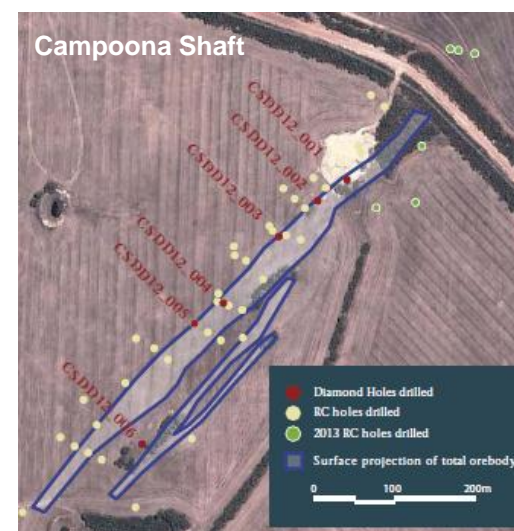
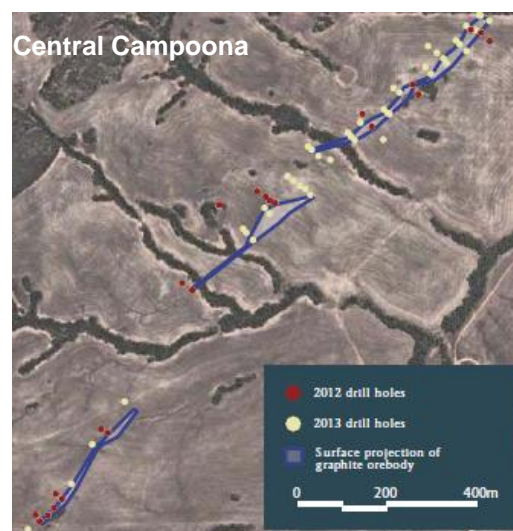
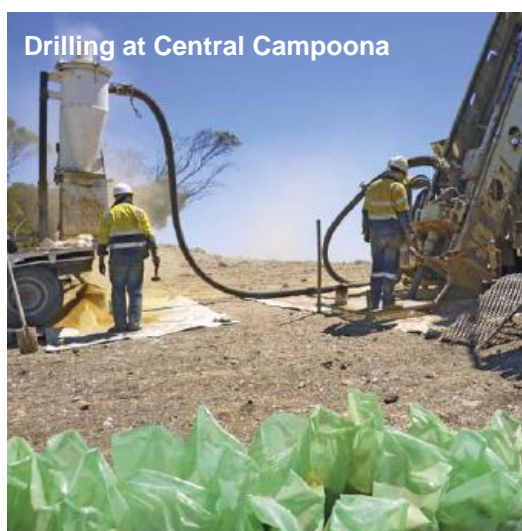


Australia's largest combined JORC 2012 graphite resource

8.55Mt @ 9.0 Cg% (lower cut-off grade of 5% Cg)*

Area	Resource Category	Tonnes (Mt)	Graphite (% Cg)	Contained Graphite (tonnes)
Campoonna Shaft	Measured	0.32	12.7	40,600
	Indicated	0.78	8.2	64,000
	Inferred	0.55	8.5	46,800
Central Campoonna	Indicated	0.22	12.3	27,100
	Inferred	0.30	10.3	30,900
Wilclo South	Inferred	6.38	8.8	561,400
Combined	Total	8.55	9.0	770,800

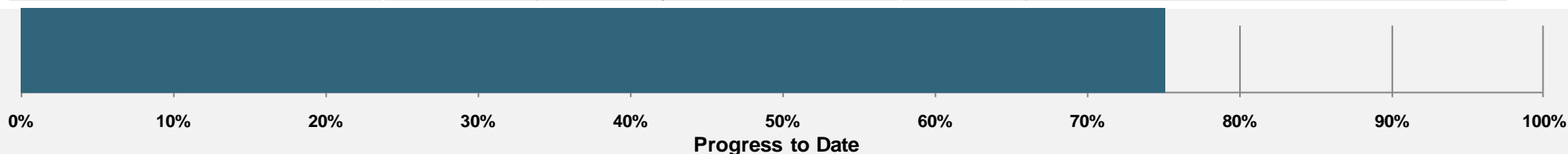
* This information was prepared and first disclosed under the JORC Code 2012 (Archer Exploration Limited, ASX Announcement)

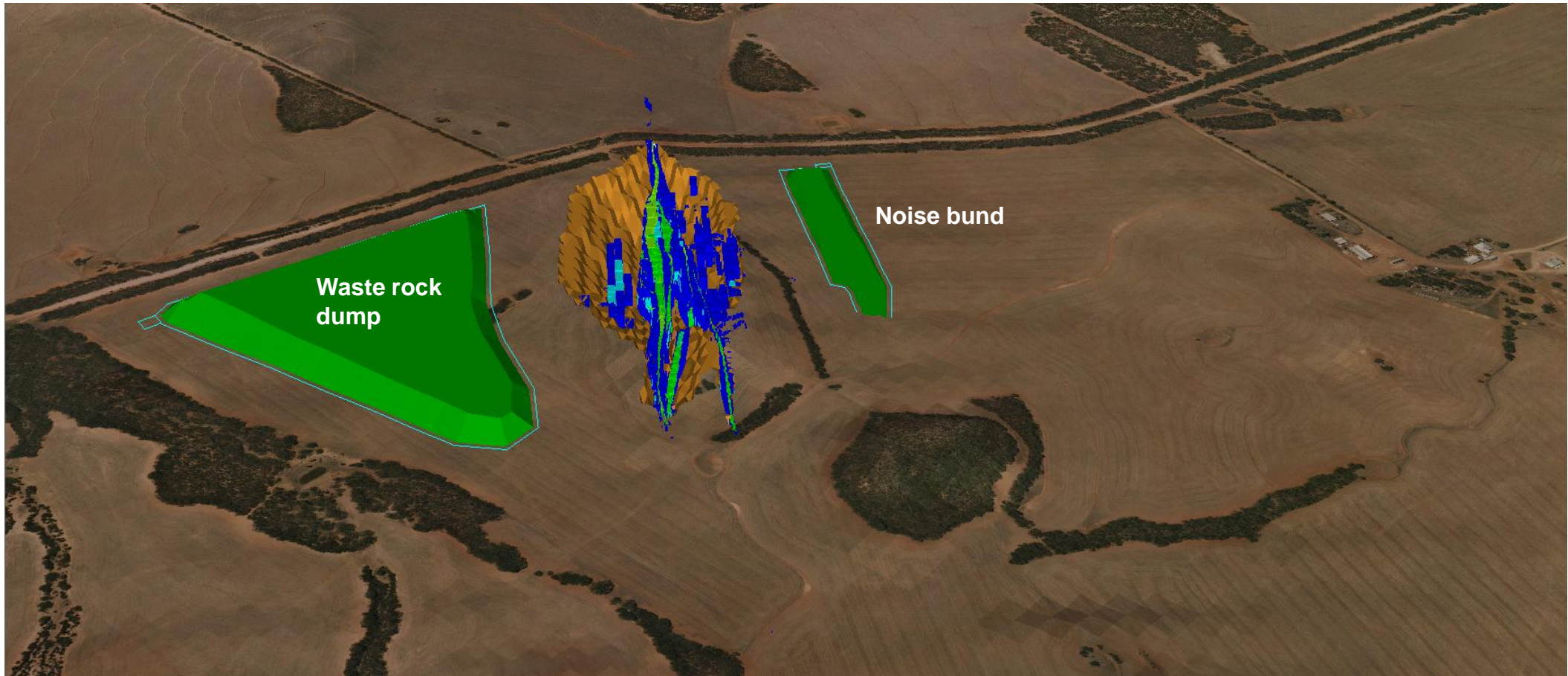


Diamond drill cores from CSDD12_002

Campoona Mining Lease Proposal to be submitted in Q1 calendar 2015

Task	Work undertaken to date	Work in progress
Ecology	Spring & Winter baseline surveys Impact assessment	✓ Completed ✓ Completed
Air quality	Project reviewed & GAP analysis	✓ Completed
Hydrogeology	Desktop study completed	✓ Completed
Geochemistry	Draft report completed	✓ Final report in draft
Socio-Economic & Community Consultation	Stakeholder engagement plan Community newsletters Bi-Monthly CCC meetings	✓ 7 x bi-monthly newsletters ✓ 7 x CCC Meetings completed ✓ 1 x Community Open Day
Surface Water	Desktop study	✓ Completed
Visual Amenity	Fieldwork completed	✓ 90% Completed
Tailings Management	Tailings workshop Tailings Option Assessment	✓ Tailings Option Assessment ✓ Characterisation in progress
Mine Closure Plan	Information review & gap analysis	✓ Mine plan and mine closure planning in progress
MLP & PEPR	Kick-off meeting Table of Contents	✓ Preparation of MLP continuing - awaiting final mine plan and tailings finalisation
Regulator Liaison	Meetings with government stakeholders undertaken	✓ Regular meetings
Permitting Review	Draft Permit Register completed in February 2014	✓ Completed
Cultural Heritage	Desktop cultural heritage study	✓ Completed
Noise	Review of various project documents and gap analysis	✓ Completed
Traffic	Desktop traffic study	✓ Completed

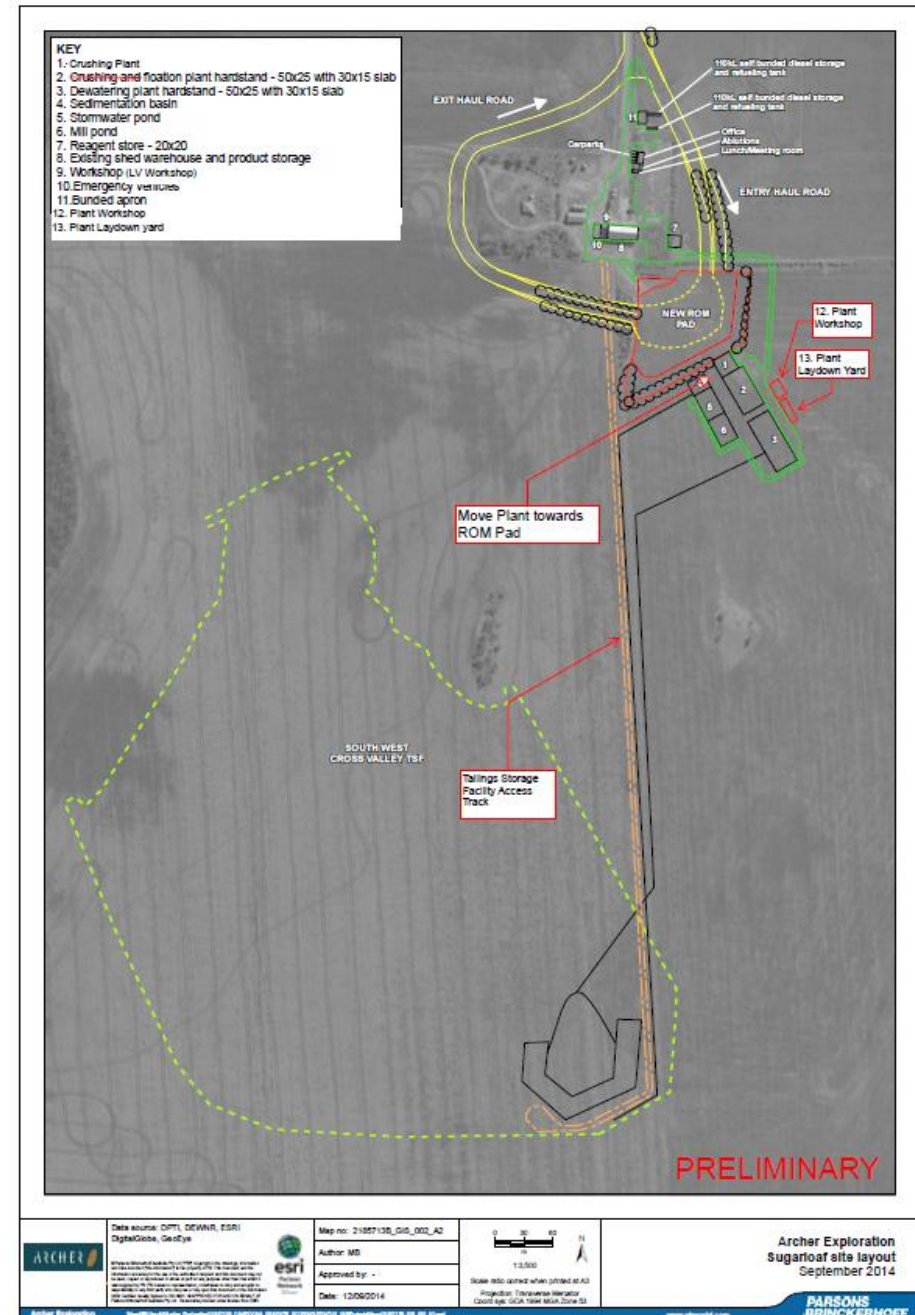




Isometric view of open cut layout looking north showing the grade block model (ore disposition) within the pit. Open pit is shown in brown (10.2Ha), the waste rock noise bund to the right of the open pit (2.6Ha) and the waste rock dump to the left of the pit (13.4Ha)

- Compact site.
- Original position near existing buildings moved to the south to minimise visual impact.
- Existing shed used as warehouse.
- Process involves:

Crushing – Blunging – Rougher Flotation – Concentrate Milling - Cleaner/Recleaner Flotation – Screening – Drying – Bagging
- Thickened tailings stored on across valley impoundment.



- Saline groundwater located at Pindari located near junction of Ross Ramsay and Carrapee Hill Road.
- Water quality - $\approx 22,500$ TDS.
- SA Water potable water allocation of 40ML/yr rising as 80ML/yr if required.

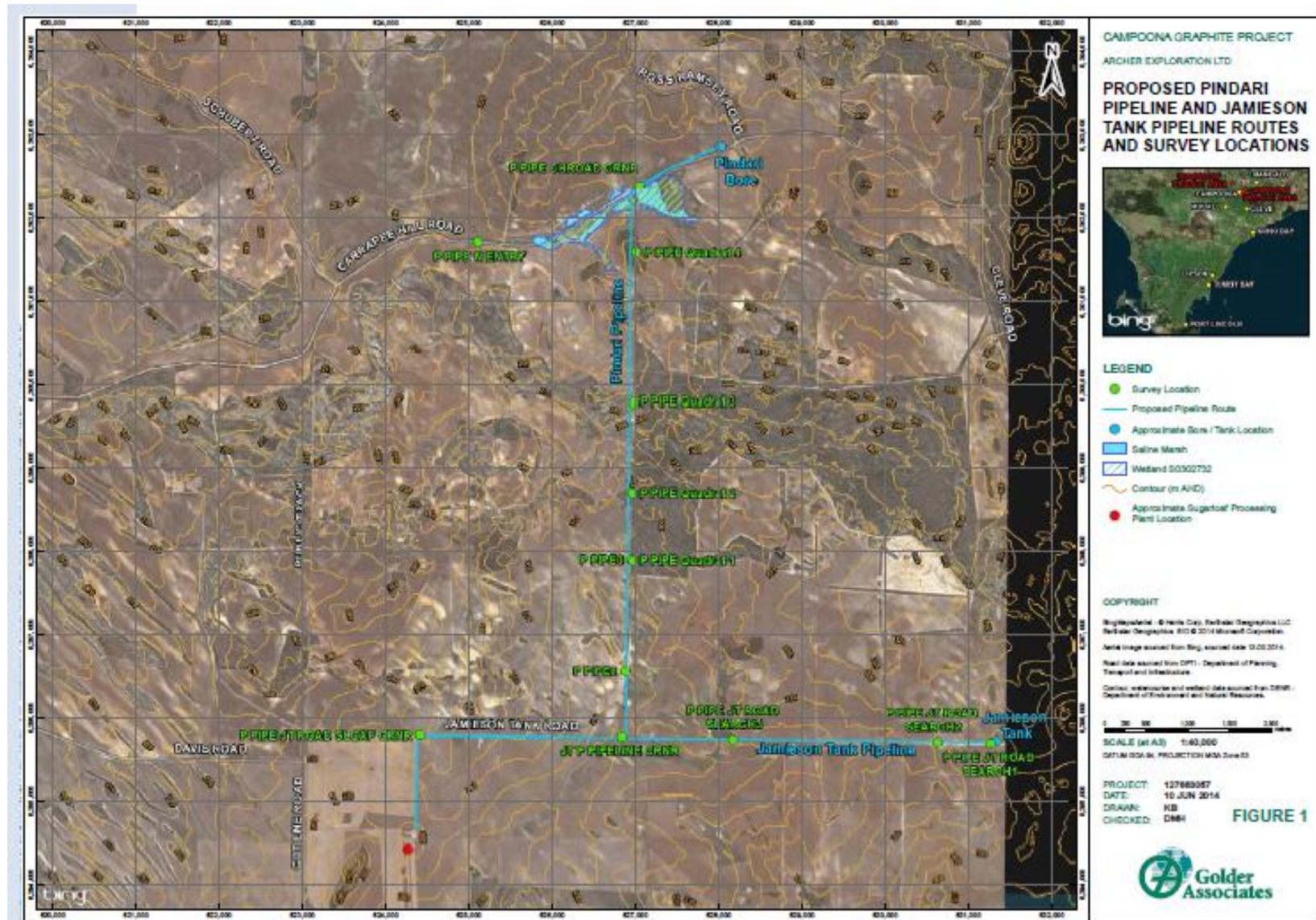
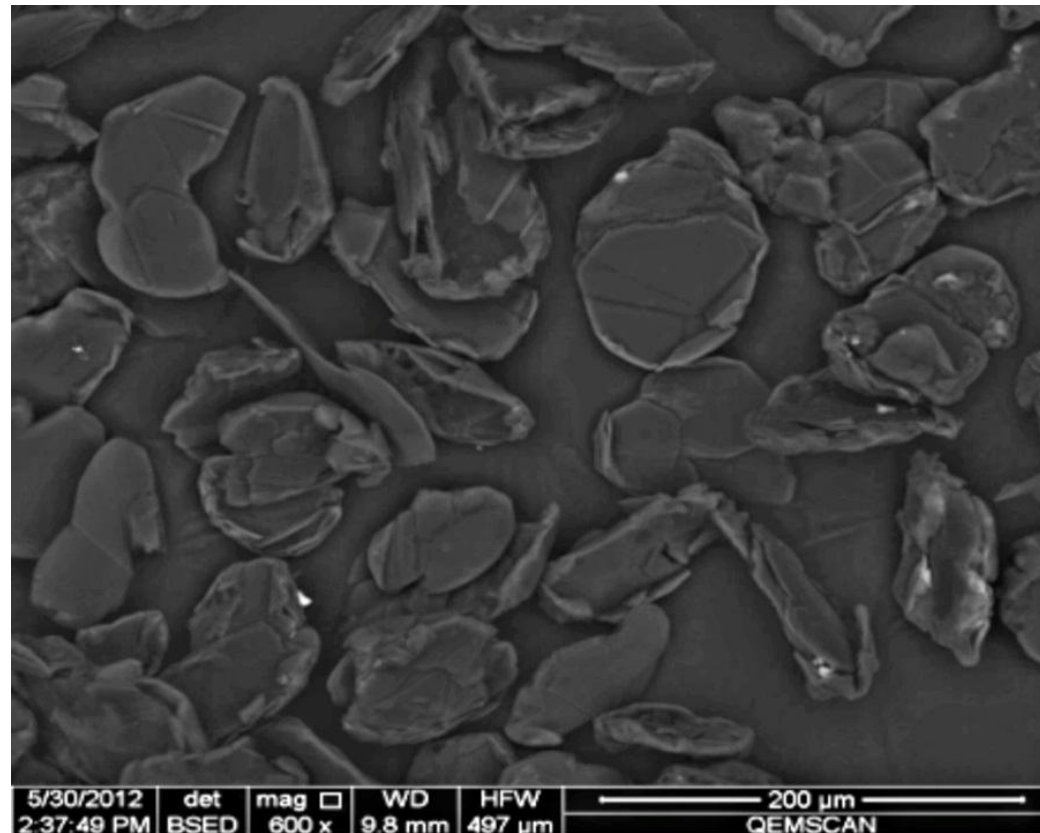


Figure 1. The proposed Pindari pipeline and Jamieson Tank Road pipeline routes and survey locations

Campoona: high grade, fine flake graphite

- Bulk flotation tests provided concentrates grading 92 – 98% Cg
 - acid cleaning upgrades concentrates up >98.5% Cg
- Archer has opportunity to enter the higher value end of the graphite market
- Marketing samples being appraised



Campoona concentrate prior to re-cleaning

Macro environment: a growing market with a bright future

- Chinese supply (~70% of market) is declining due to mine closures, increasing costs and environmental challenges
- Emerging production capacity especially in Africa & Australia
- Graphite identified as a critical industrial mineral by USA & UK
- Target markets include:
 - Batteries – dry cell, alkaline and lithium-ion
 - Recarburisation of steel
 - Brake pads
 - Carbon brushes
 - Lubricants and greases



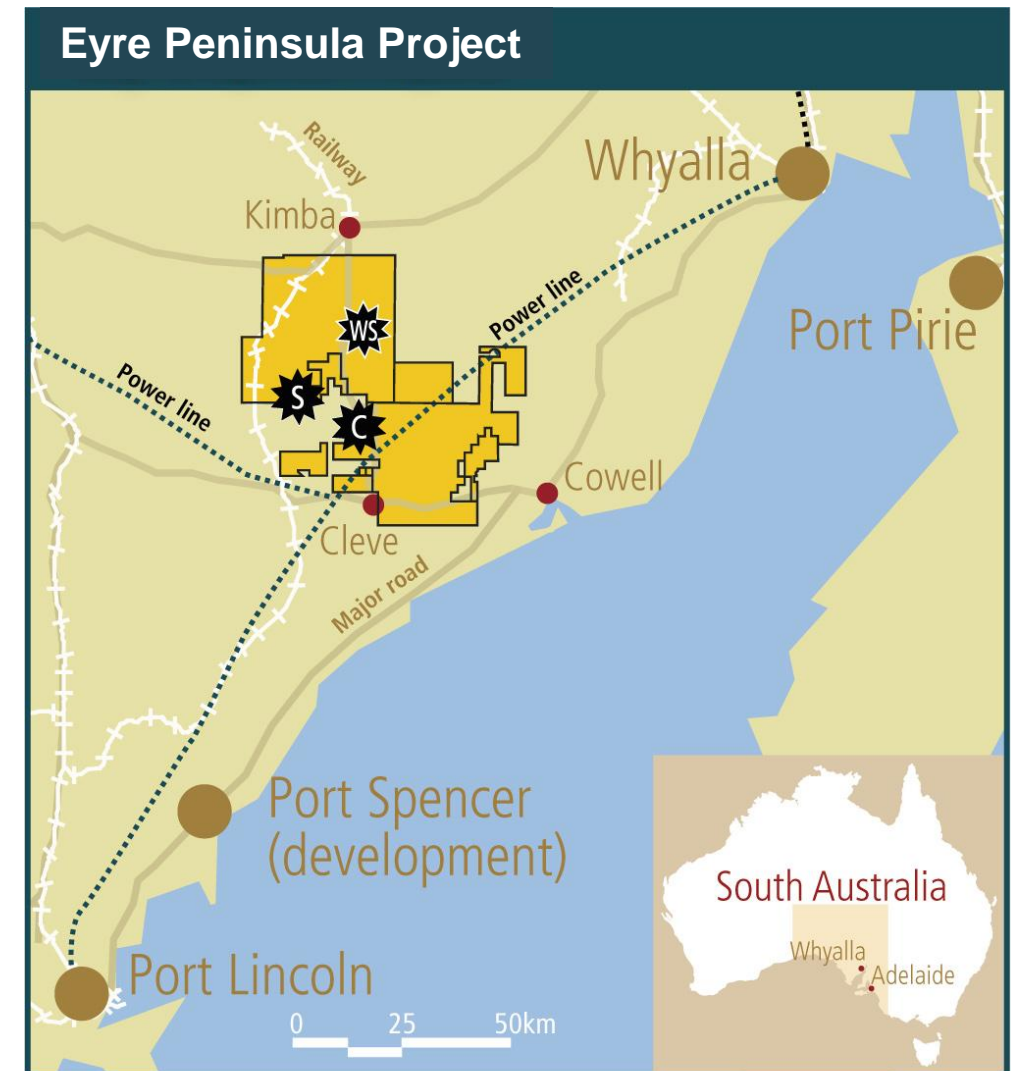
Archer Exploration market engagement

- High purity graphite concentrates to be provided to specific market segments for assessment
- Market interest from Asia and North America
- Seeking to negotiate pre-sale and offtake agreements with prospective buyers
- Research agreement entered with Adelaide University to focus on new product opportunities for Archer graphite and graphene products

Access to critical infrastructure

- Electricity at Darke Peak for Sugarloaf, poles and wires for Campoona mine site
- Various port options
- Good road network
- Company owns land at Sugarloaf and Campoona Shaft, and has a binding HoA over the freehold land needed to commence operations
- High yielding aquifer near processing site
- Potable water allocation
- Accommodation and services all in the area
- Predominantly free-dig, open cut mining with low overall strip ratio
- South Australia one of the world's most stable AAA mining jurisdictions

Mining Lease Proposal 75% completed with submission planned for Q3 FY 2015

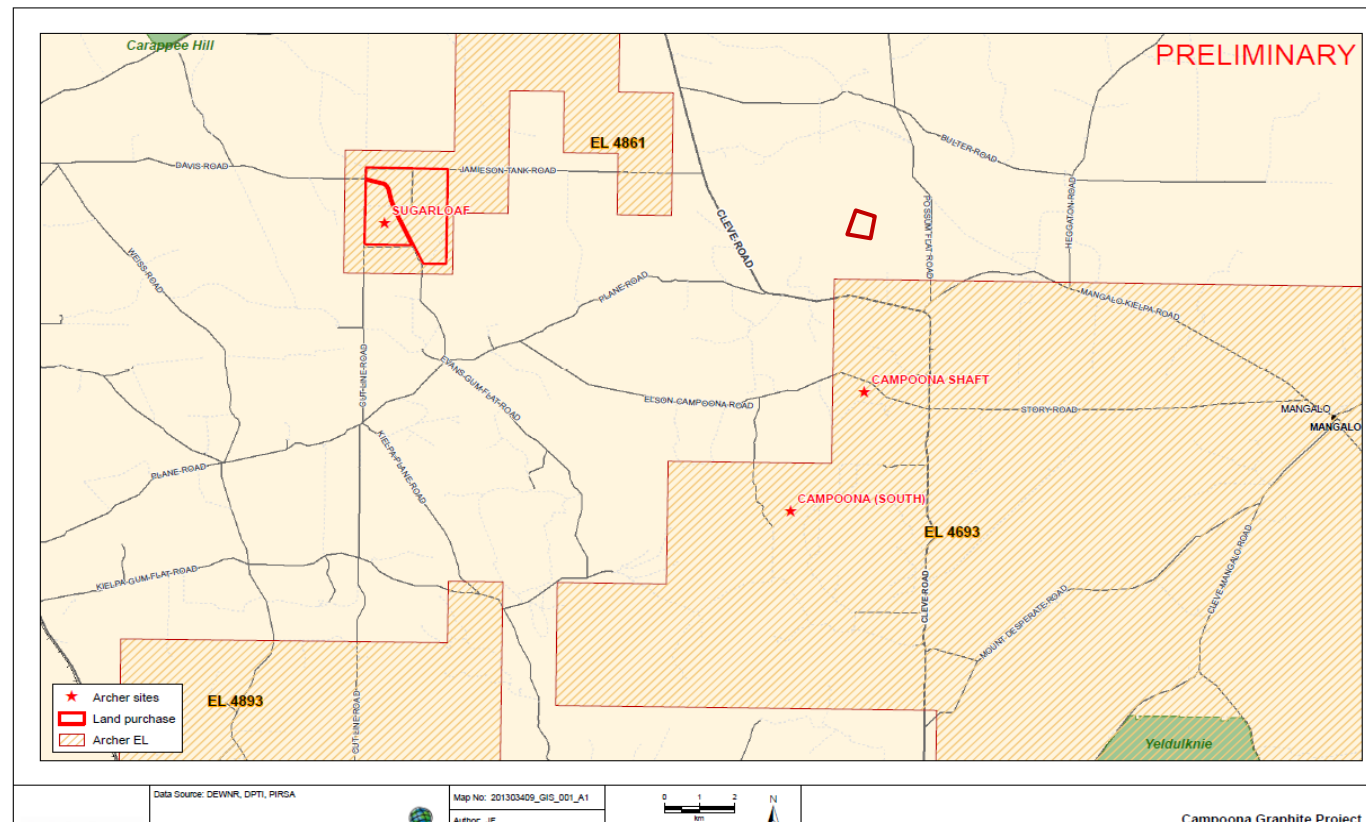


Advanced Graphite Projects

⚙ Campoona ⚙ Sugarloaf ⚙ Wilclo South

Archer owns the land needed for mining and mineral processing

- Campoona Shaft and Sugarloaf both occur on freehold pastoral land
- Archer owns Sugarloaf (1,403 acres) and has binding HoA over sufficient land at Campoona Shaft for mining to proceed
- Early land purchases has secured access and mitigated land risk associated with developing mining and processing operations



Waddikee: acquisition adds large flake graphite and increases graphite resources

- Recently completed acquisition of neighbouring EL4662
- JORC 2012 Indicated Resource at Wilclo South of 6.4Mt grading 8.8% Cg (561,400t of contained graphite at 5% cut off)
- Flake graphite exceeding 200µm - 500µm
 - marketable (>90%Cg) large, medium and fine flake recovered at Wilclo South and Francis providing product optionality

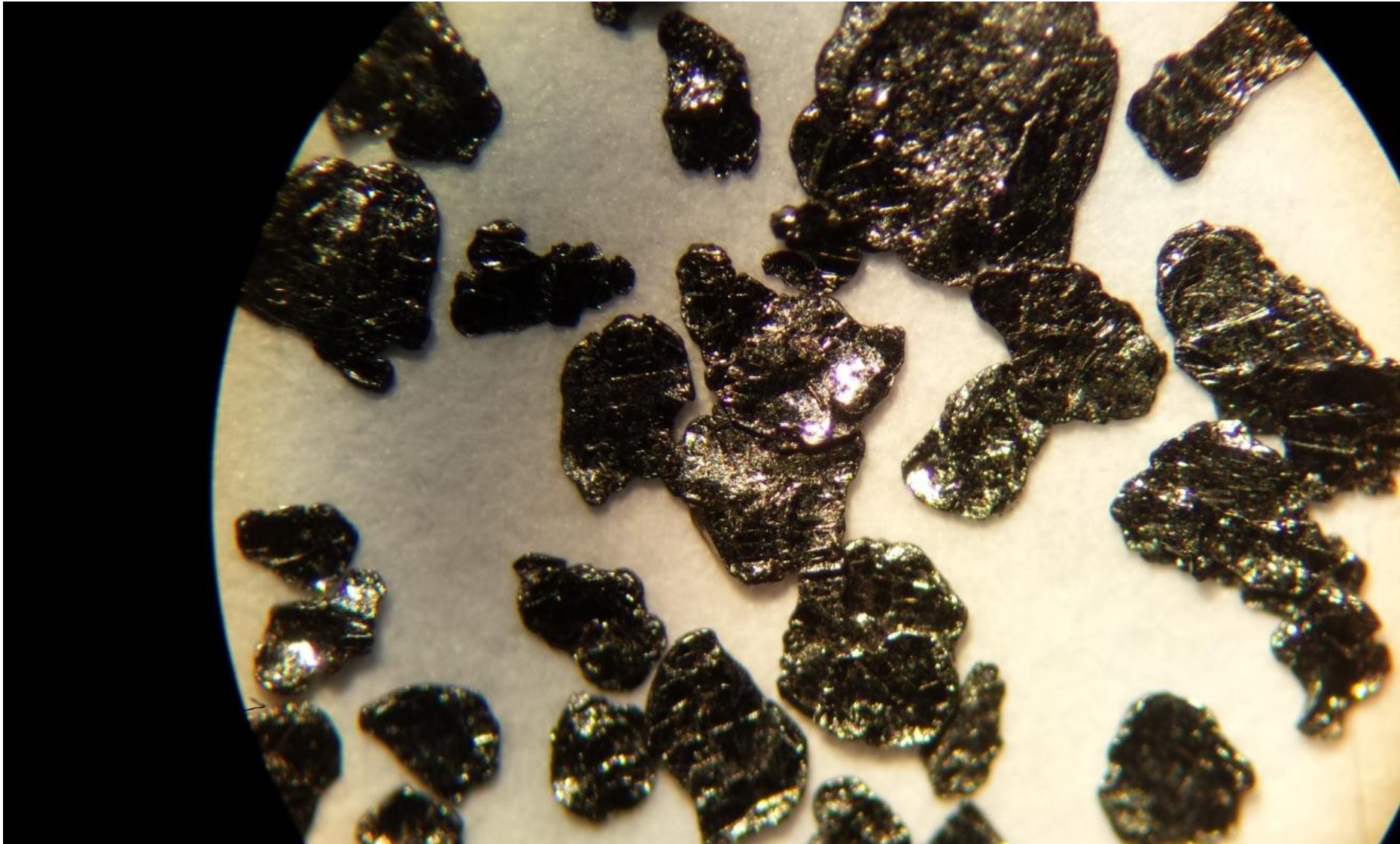


Hole WG044, 73-74m



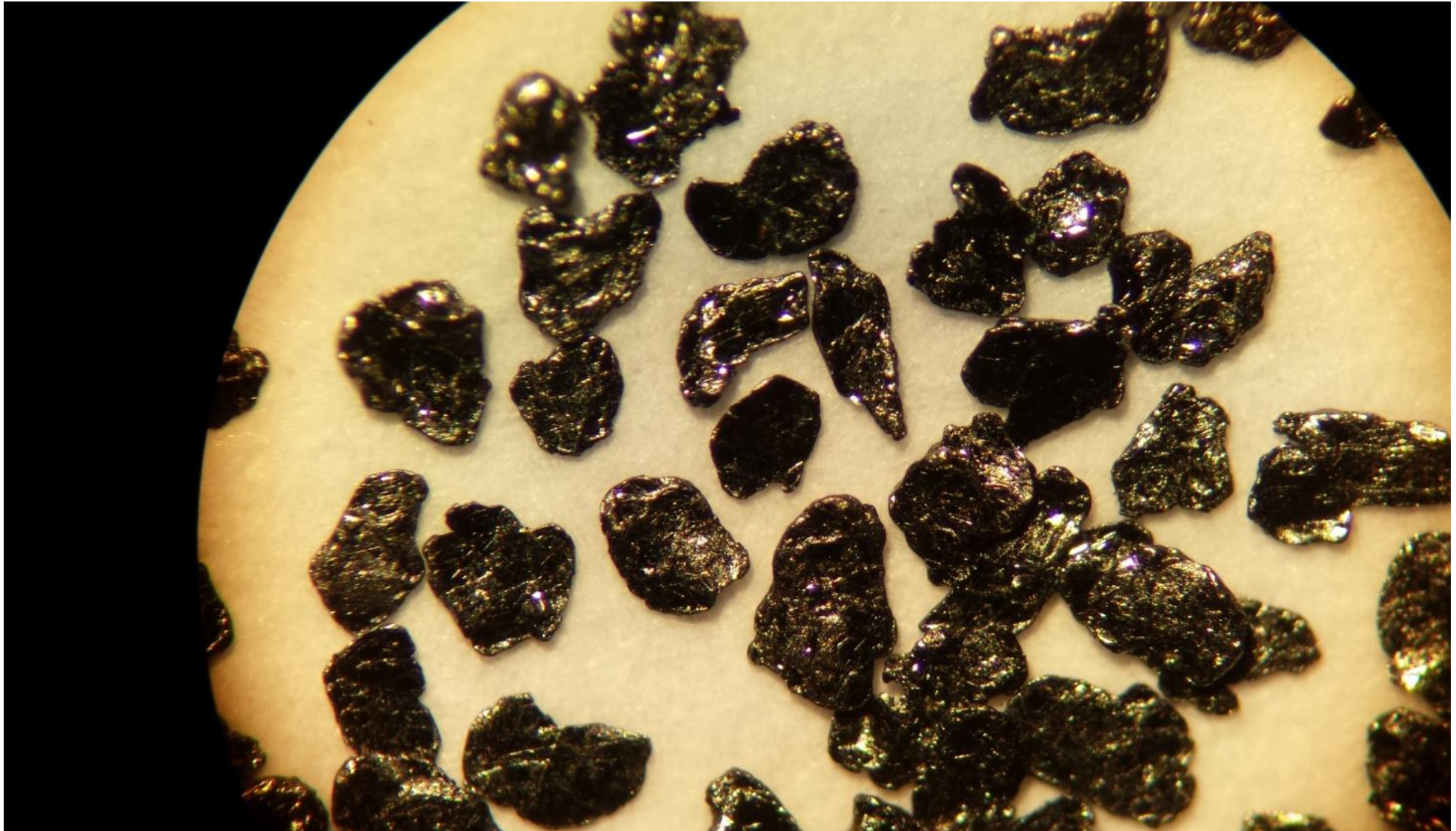
Flake aggregates from RC drill hole WG041 (98-99m).

Waddikee: Extra large / jumbo flake



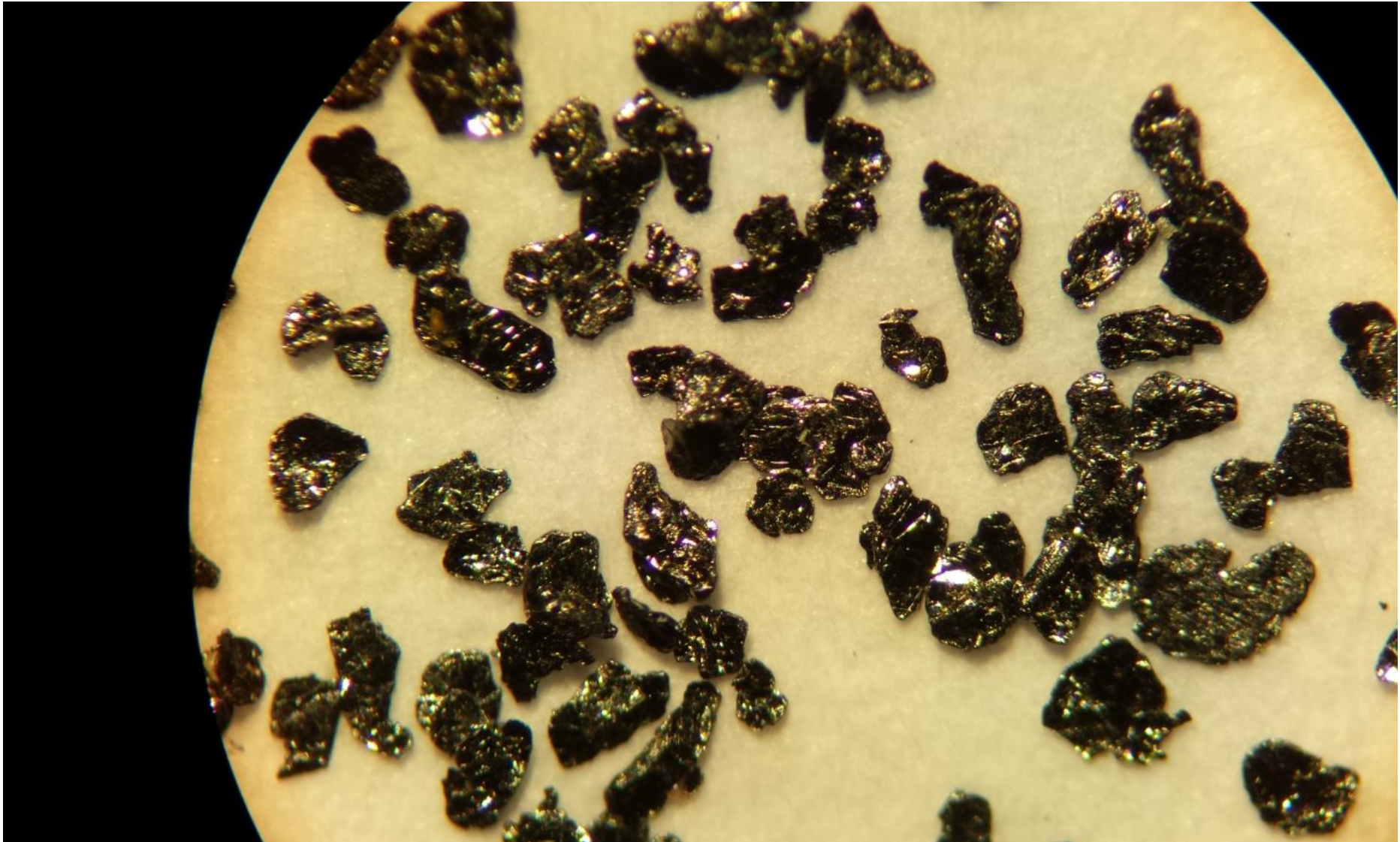
Wilclo South >425 μ m Extra Large / Jumbo Flake

Waddikee: Extra large flake



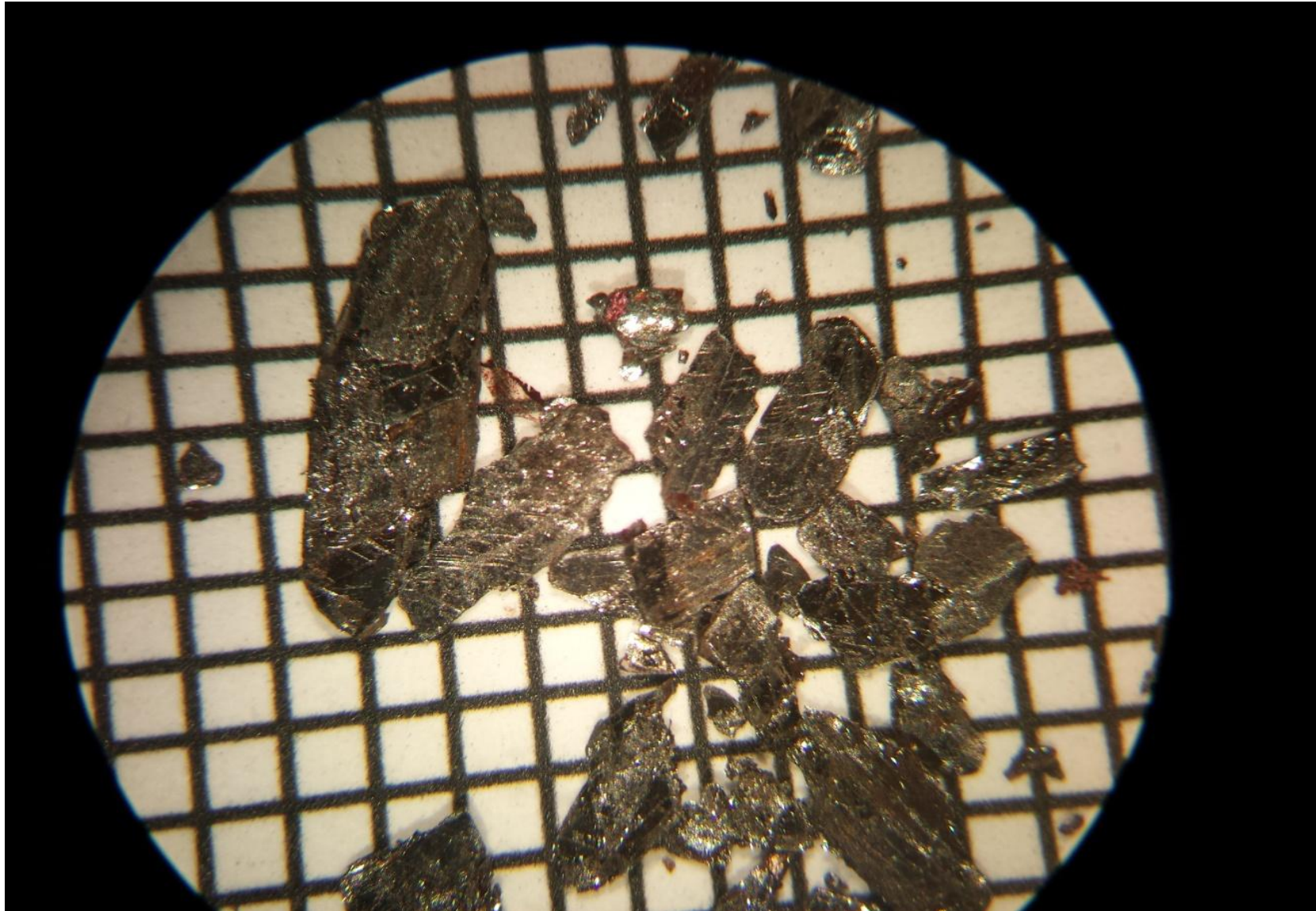
Wilclo South >300µm Extra Large Flake

Waddikee: Large flake



Wilclo South >180µm Large Flake

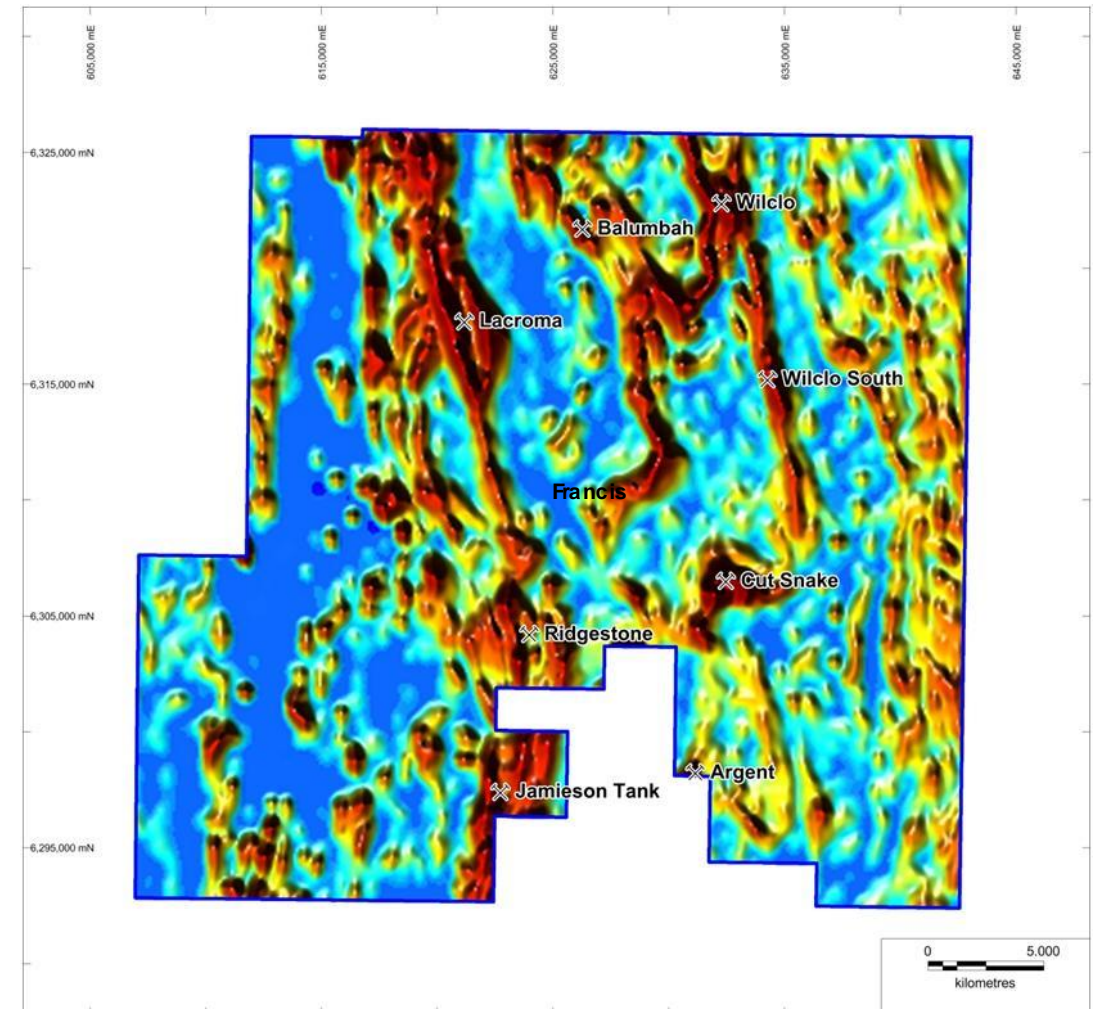
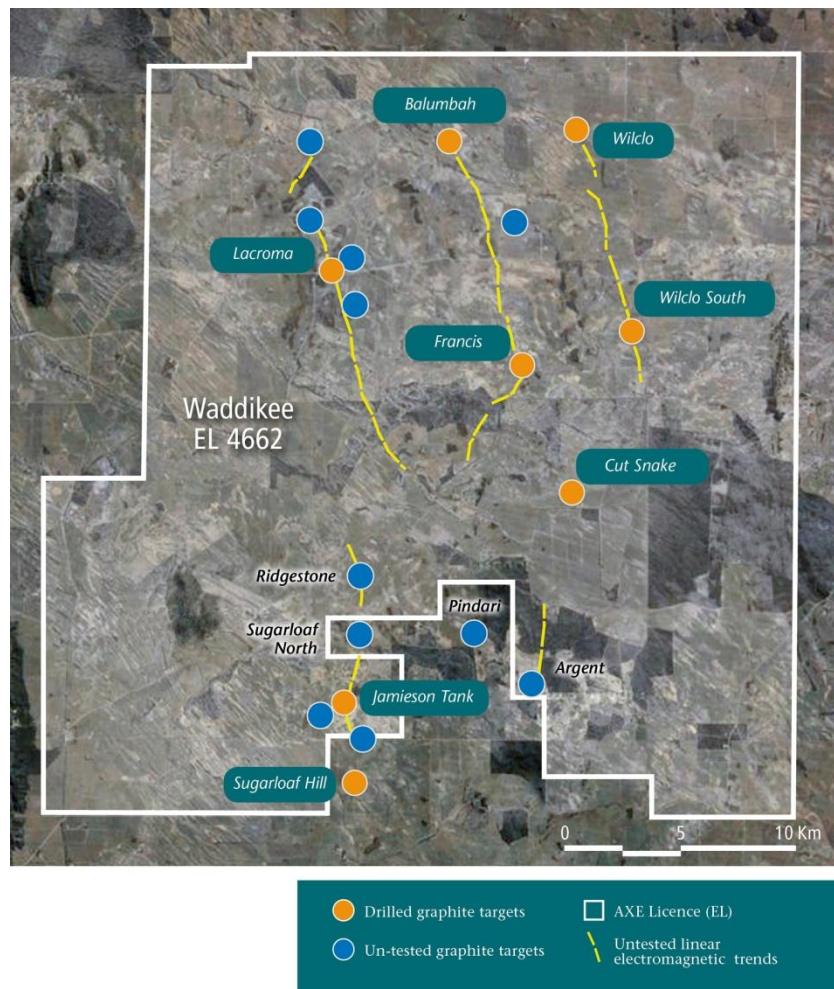
Waddi-kee: Argent Prospect



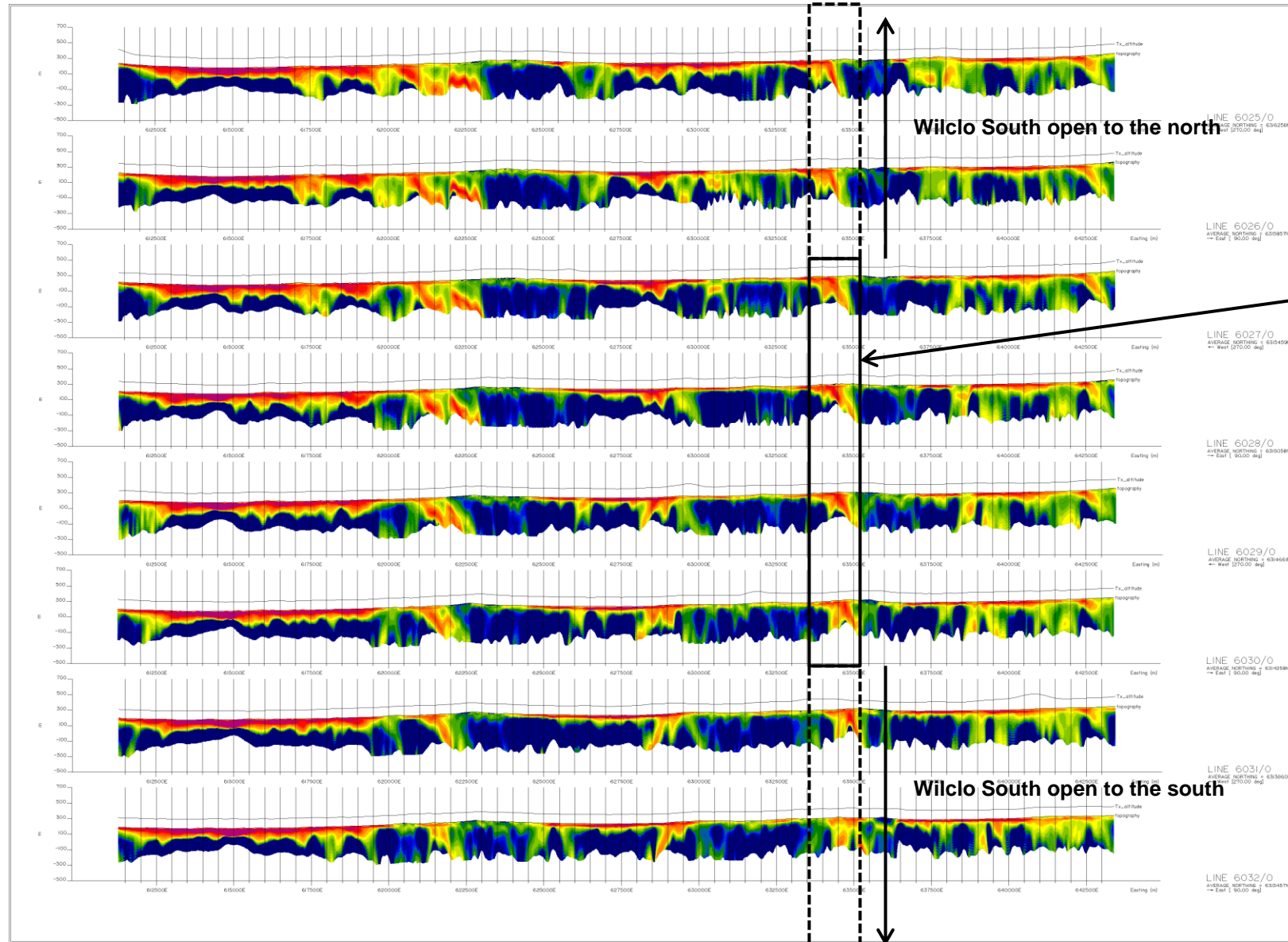
Argent graphite prospect ultra coarse graphite released by knapping a surface rock sample showing flake graphite ranging from 500 microns to 6,000 microns. Note the square scale grid is 1 millimetre in size (1,000 μ m).

Waddikee : strong likelihood for further Resource growth

- High quality electromagnetic database outlines $\approx 20\text{kms}$ of distinct linear conductive bodies that remain to be fully drill tested.
 - 7 known graphite prospects all coincident with EM conductors. Francis prospect is high grade with intercepts $>20\%$ Cg

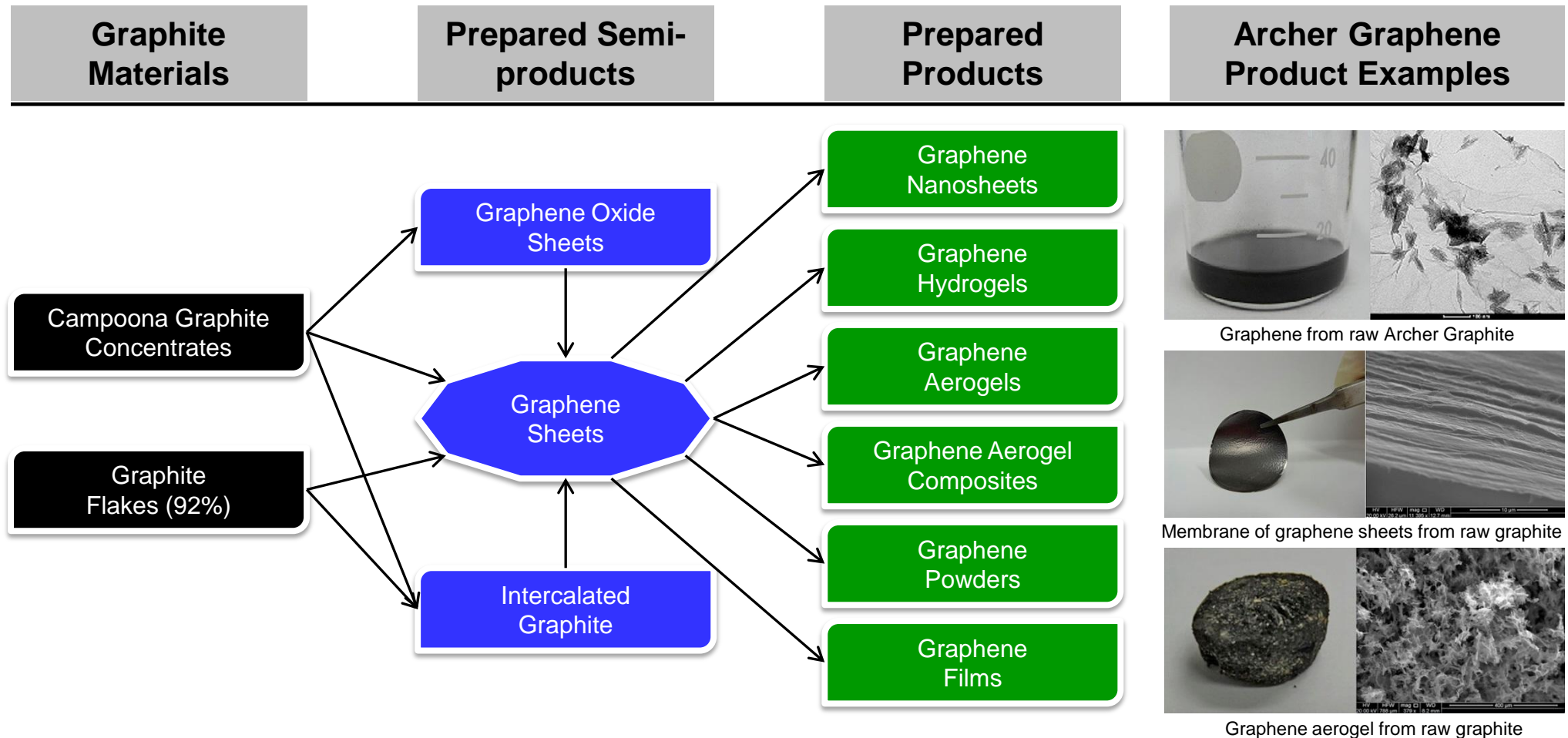


Waddikee: EM provides excellent predictive vectoring tool for exploration for flake graphite



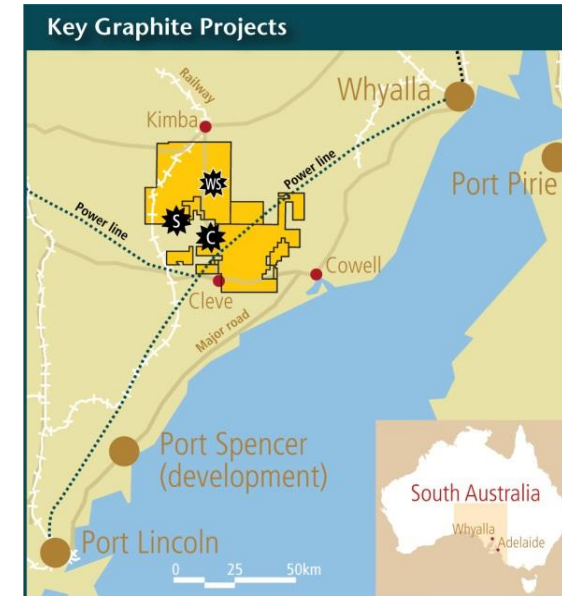
Wilclo South Resource of 6.38Mt grading 8.8% Cg over 1.2kms is open to the north and south for several kilometres.

Two-year research program with University of Adelaide into graphite and graphene related products. Early work closing in on “proof of concept” agricultural application



Summary

1	Large Position in a Premium Graphite Location	<ul style="list-style-type: none"> Archer has assembled a portfolio of tenements covering 2,154km² near Cleve-Darke Peak-Kimba on Eyre Peninsula, South Australia The Eyre Peninsula is Australia's premier graphite exploration and production region Australia is a highly attractive investment location due to its low geopolitical risk, quality infrastructure and skilled local workforce
2	Multiple Discovered Resources	<ul style="list-style-type: none"> Combined JORC 2012 Resources for Campoona Shaft, Central Campoona and Wilclo South of 8.55Mt @ 9.0 Cg% to give 770,800t of contained graphite (5% Cg lower cut-off) <ul style="list-style-type: none"> Campoona Shaft Total: 1.65Mt @ 9.2 Cg% Central Campoona Total: 0.52Mt @ 11.2 Cg% Wilclo South Total: 6.38Mt @ 8.8 Cg%
3	High Quality Graphite	<ul style="list-style-type: none"> Significant metallurgical tests at Campoona have been completed that demonstrate the ability to deliver high value fine graphite (plant to be constructed at Sugarloaf) The portfolio provides optionality to deliver full spectrum of products to various end users Large and jumbo flake recovered from Wilclo South and Francis with petrology identifying further large flake potential at Cut-Snake, Balumbah and Argent
4	Exploration & Expansion Upside	<ul style="list-style-type: none"> Less than 2% of the 2,154km² tenement package has been explored Drilling covers Reverse Circulation (RC) and Diamond Drilling High quality airborne EM and magnetic coverage across key areas Own land at Sugarloaf and have binding HoA covering land purchase at Campoona Shaft
5	Close to Existing Infrastructure Network	<ul style="list-style-type: none"> Located close to existing and proposed infrastructure Power and major road infrastructure all located within the perimeter of the tenements with access to various port options Substantial saline groundwater aquifer located ~10km north of Sugarloaf has been drilled, tested and is expected to supply the full water needs of an extended project



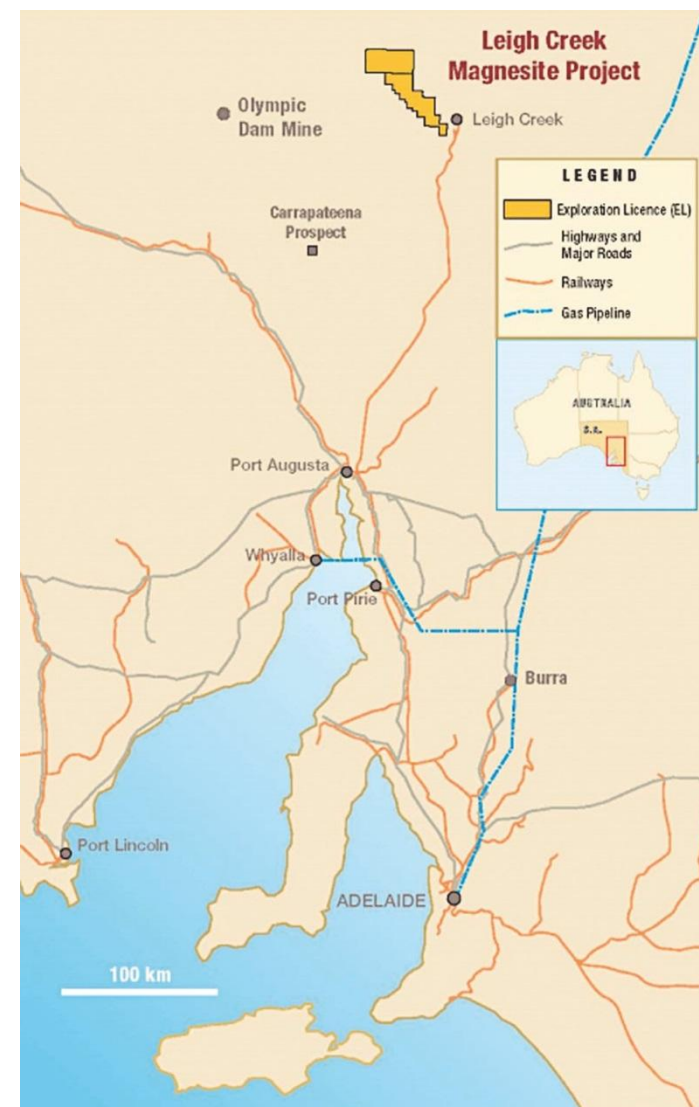
Advanced Graphite Projects

Campoona
 Sugarloaf
 Wilclo South

- ✓ Low sovereign risk, good access to infrastructure
- ✓ High quality product 92% - 98.5% Cg
- ✓ Combined deposit grade of 9.0% Cg could support >25 year project
- ✓ Predominantly free-dig, open cut mining with low overall strip ratio
- ✓ Mining lease proposal underway

Archer Exploration owns the world's largest cryptocrystalline magnesite deposit

- 100% interest in Leigh Creek deposit – world's largest cryptocrystalline magnesite deposit
 - JORC Resource of 453Mt grading 41.4% MgO – almost 50% of the world's known cryptocrystalline magnesite resources
 - cryptocrystalline magnesite's superior qualities produce higher value magnesia products than macrocrystalline magnesite
- Strategic review commenced in August 2014
- Infrastructure
 - 20 kms from a privately owned standard gauge rail line that operates between Leigh Creek and Port Augusta which connects to Port Pirie
 - Port Pirie has access to national rail and road infrastructure, bulk shipping facilities, gas, power and skilled labour
 - Port Pirie is the preferred magnesia processing location, 220km north of Adelaide which has an established container terminal



Broad range of high quality copper and gold exploration prospects in SA

Gold

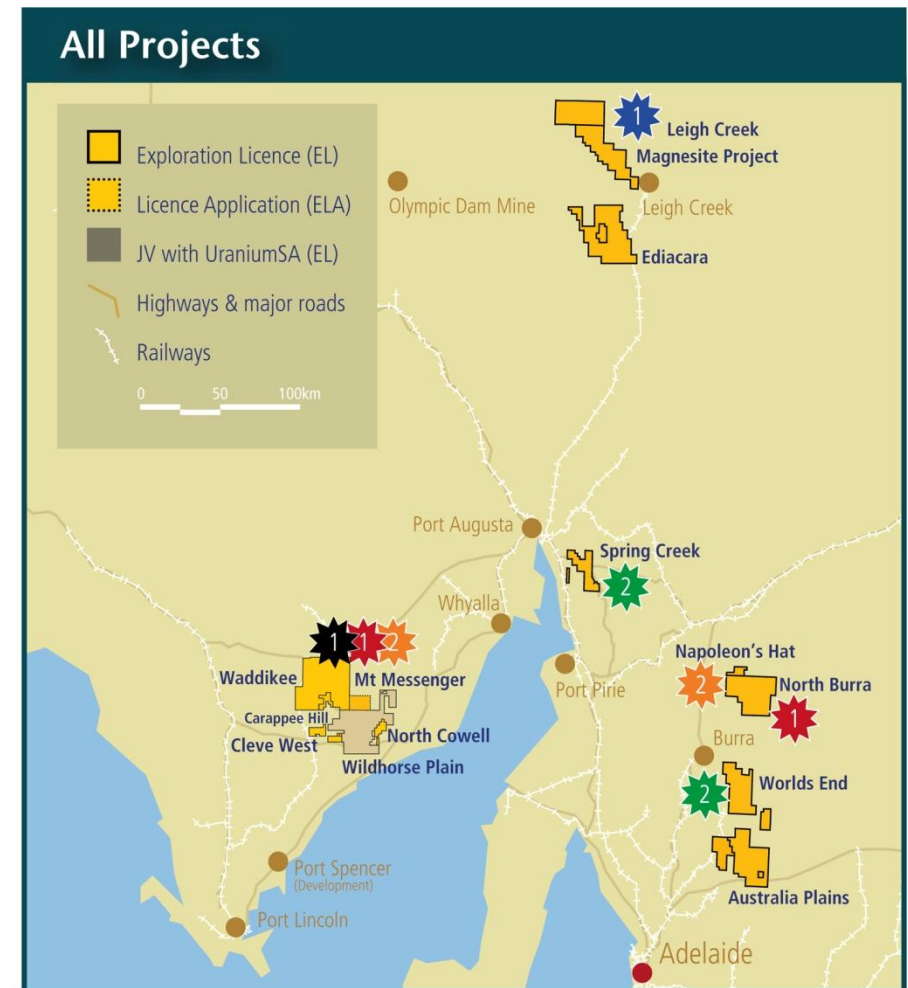
- Wildhorse Plain – several kilometre long epithermal gold anomaly at Bartel
 - early exploration with best intercept of 29m @ 0.57g/t Au
- Napoleon's Hat & Watervale – early stage targets

Copper

- Spring Creek – historic mine with full supergene copper suite.
- North Cowell – covering historic Morrowie workings
- World's End – including Robertstown & Mimic

Manganese

- 100% interest in 7 manganese deposits and prospects
- 2 advanced prospects (Jamieson Tank and Ketchowla have grades ranging from 15%-20% Mn)
- Beneficiation tests on both Jamieson Tank and Ketchowla K1 ore indicates saleable manganese grading ~40% Mn
 - Jamieson Tank recoveries ≈ 80%
- Potential divestment or JV opportunities

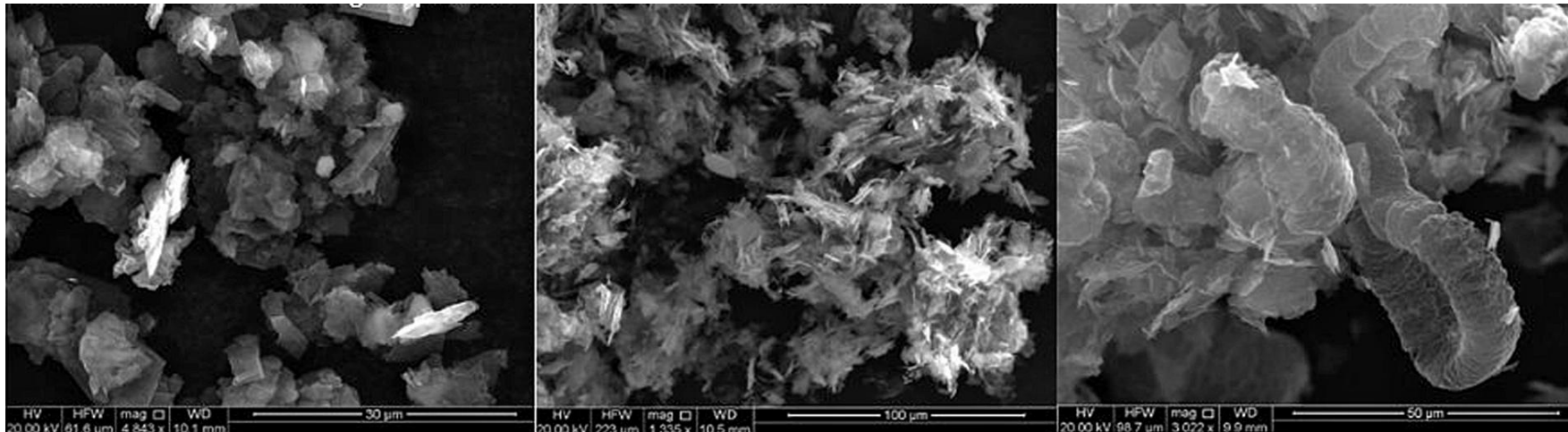


Priority 1 and 2 targets:

1 Graphite 2 Magnesite 3 Manganese 4 Copper 5 Gold

Progress graphite prospects and unlock magnesite potential

- Market engagement commenced for Campoona graphite for off-take and/or JV partners
- Complete Scoping Study
- Drill out of graphite deposits and prospects to identify the key prospects to take forward to Resource
- Near-term monetisation of non-core projects
- Progress research into specific graphite/graphene agricultural and environmental remediation products with a view to commercialisation



Archer graphite concentrates

Chemically intercalated graphite

Thermally intercalated graphite