

Notice under Listing Rule 3.10.5A

Securities issued under Listing Rule 7.1A

The following information is provided in accordance with ASX Listing Rule 7.1A.4(b) and Listing Rule 3.10.5A with reference to the Appendix 3B lodged by the Company on 9 March 2017 regarding the issue of 27,000,000 ordinary shares from the capital raising announced to the ASX on 1 March 2017 (the **Placement**).

(a) *Details of the dilution to existing holders of ordinary securities caused by the issue:*

Number of fully paid ordinary shares on issue pre-Placement ( <b>W</b> ):	110,194,306
Number of Placement shares issued under LR7.1 ( <b>X</b> ):	16,387,176
Number of Placement shares issued under Listing Rule 7.1.A ( <b>Y</b> ):	10,612,824
Total number of shares on issue post-Placement ( <b>Z =W+X+Y</b> ):	137,194,306
Dilution resulting from issue of shares under Listing Rule 7.1A ( <b>Y/Z</b> ):	7.74%
Percentage of post-Placement shares held by pre-Placement security holders ( <b>W/Z</b> ):	80.3%

(b) *Where the equity securities are issued for cash consideration, a statement of the reasons why the eligible entity issued the equity securities as a placement under rule 7.1A and not as (or in addition to) a pro rata issue or other type of issue in which existing ordinary security holders would have been eligible to participate:*

The shares were issued to new shareholders who were sophisticated and institutional investors with funds raised directed toward the drilling of the Ketchowla Cobalt Project and accelerating the exploration work program on the Company's cobalt projects and for working capital purposes. The share placement was completed instead of a rights issue or other issue in which existing ordinary security holders could have participated due to the shorter timeframe and lower costs involved in executing the placement.

(c) *Details of any underwriting arrangements including any fees payable to the underwriter:*

No underwriting arrangements were entered into.

(d) *Any fees or costs incurred in connection with the issue:*

Fees of \$113,400 were incurred in connection with the Placement.

By order of the Board:



Damien Connor  
 Company Secretary  
 Archer Exploration Limited

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