

ASX Announcement

13 April 2017

Ketchowla cobalt drilling imminent

Highlights

- Drilling of walk-up targets at Ketchowla to commence within next 2 weeks.
 - Previously reported high grade cobalt (up to 0.64%) in rock chips and drilling (11m @ 0.11% Co from 6 metres).
 - Significant potential for additional discoveries.
 - First assay results expected mid-May.
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Archer is pleased to announce that the drill rig has been mobilised and that drilling at the Company's 100% owned Ketchowla Cobalt Manganese Project will commence within the next 2 weeks. The proposed drilling will target extensions to the K1 and K2 structures with assay results expected mid-May.

As previously announced, previous drilling and other exploration by Archer at Ketchowla has identified high grade cobalt and manganese mineralisation. Archer has previously reported grades up to 0.64% cobalt in rock chips (ASX announcement 17 March 2017) and > 0.1% cobalt in shallow drill holes (ASX announcement 17 January 2017).

Archer's Executive Chairman, Greg English said "*Archer is excited about the upcoming RC drill program at Ketchowla*".

"The previous drill results at Ketchowla demonstrate that we have made a significant cobalt and manganese discovery and Archer is confident that we will be able to replicate this success with the upcoming drilling" said Mr English.

The Ketchowla Project

The Ketchowla Cobalt Manganese Project, is located approximately 45km north of Burra, South Australia. The standard gauge east-west Trans Australian Railway line is located 35km north of the main project area. Established electricity and water infrastructure is also within close proximity.

The Ketchowla Cobalt Manganese Project comprises the K1 – K9 Prospects with the current drilling focussed on drilling at K1 and K2 (Figure 1).

Archer Exploration Limited

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K1 is centred around a small historic manganese open pit mine (**Ketchowla Mine**) and located on the eastern limb of the main fold structure. K1 is part of a large-scale cobalt and manganese mineralised system which Archer has mapped and sampled over a 5km strike length.

The K2 Prospect is offset 6km to the east of K1. K2 is on the eastern limb of a shallow dipping syncline with discontinuous manganese outcrops mapped by Archer over 1.3km. Previous drilling by Archer at K2 intersected cobalt and manganese mineralisation within 1 – 5 metres of surface.

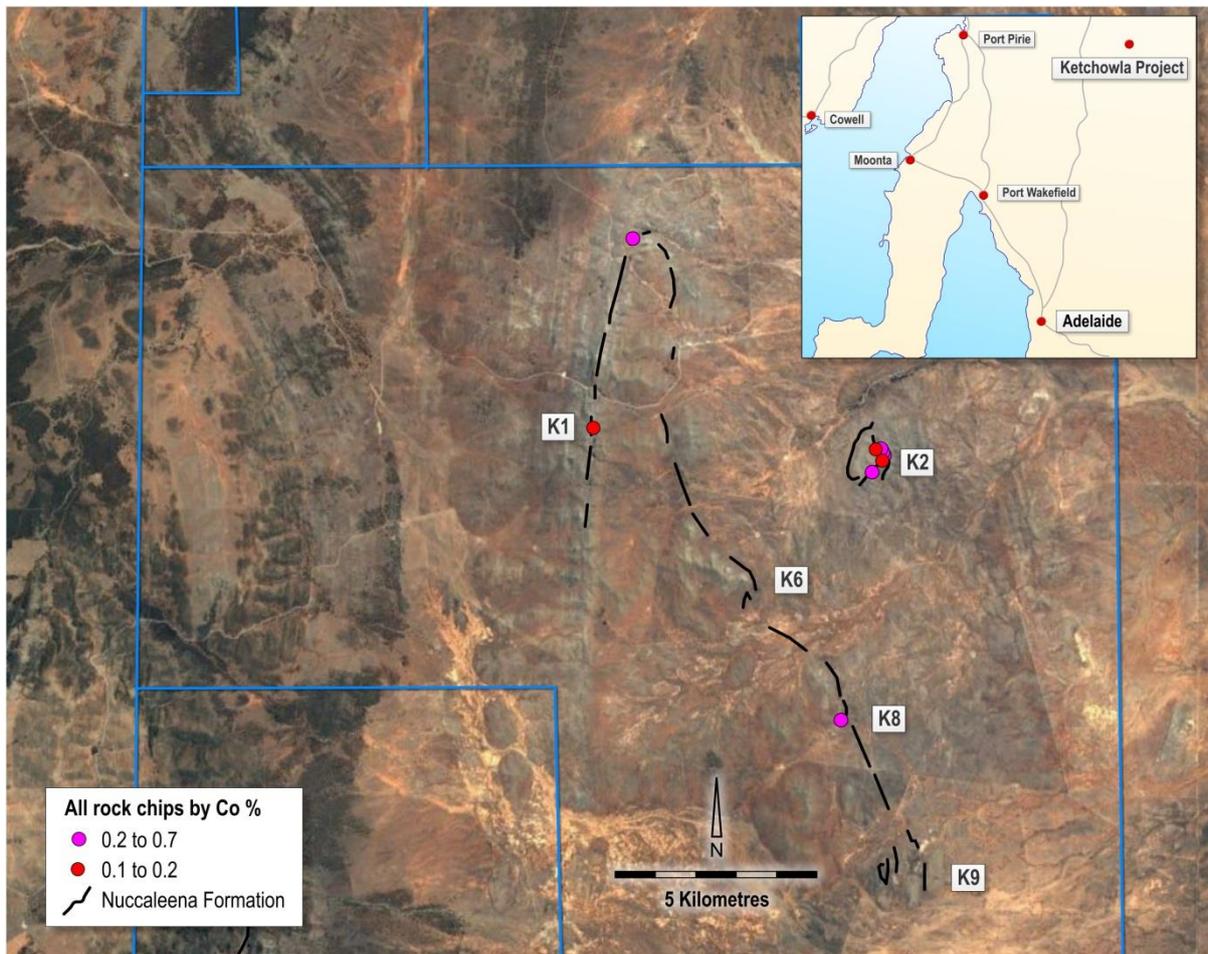


Figure 1: Location of prospects at Ketchowla Project with recent significant Co rock chips samples

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Proposed drill program

The RC drilling program will focus on:

- Extending the manganese and cobalt mineralisation below, and to the north of, the Ketchowla Mine (K1).
- Identifying the extent of the cobalt and manganese mineralisation at K2.

The drilling will be undertaken using a track mounted rig which will allow Archer to access the better-quality drill targets that the Company couldn't previously access due to unavailability of a suitable track mounted drill rig.



Figure 2: Old workings (looking South) showing outcropping manganese.

Next Steps

All approvals are in place, drilling at Ketchowla will commence within the next two weeks with assay result expected mid-May.

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Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Wade Bollenhagen, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy and is a full-time employee of Archer Exploration Limited.

Mr Bollenhagen has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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". Mr. Bollenhagen consents to the inclusion in the report of the matters based on his information in the form and context in which it appears

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