

North Broken Hill Cobalt Project update

Highlights

- Access Agreements have been signed with relevant landowners
 - Tenements offered and accepted by Archer and environmental bonds paid.
 - Grant of tenements imminent.
 - Field work to commence early June.
 - Archer has one of the largest tenement holdings in this highly prospective area for cobalt mineralisation in NSW.
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Archer Exploration Limited (ASX: AXE) Archer is pleased to announce that it has been offered, and has accepted, the terms for the grant of the Company's NSW cobalt tenements, located approximately 20km north of Broken Hill.

The tenements, known as the North Broken Hill Cobalt Project, covers 381km² of known outcrops of the Himalaya Formation (one of the most prospective areas for cobalt mineralisation in NSW) which host Cobalt Blue's Pyrite Hill, Big Hill and Railway cobalt deposits with a combined resource of 33.1Mt @ 0.0833% cobalt. COB recently announced (ASX announcement 4 May 2017) that recent resource drilling results at Pyrite Hill, Big Hill and Railway should support potential for significant enhancement of these deposits.

Cobalt at Big Hill and Pyrite Hill (ASX:BPL and ASX:COB) associated with Thackaringa and Himalaya Group. Archer's extensive research has identified Thackaringa Group northern extensions identified on Archer's tenements. There has been no recorded historic cobalt focussed exploration on the Archer tenements.

The Himalaya Formation is considered one of the most prospective areas for cobalt mineralisation in NSW. The Company's main project areas are along strike from Cobalt Blue's cobalt deposits and the presence of the same rocks that host these deposits and previously reported cobalt occurrences on Archer's ground suggest high potential for further cobalt mineralisation.

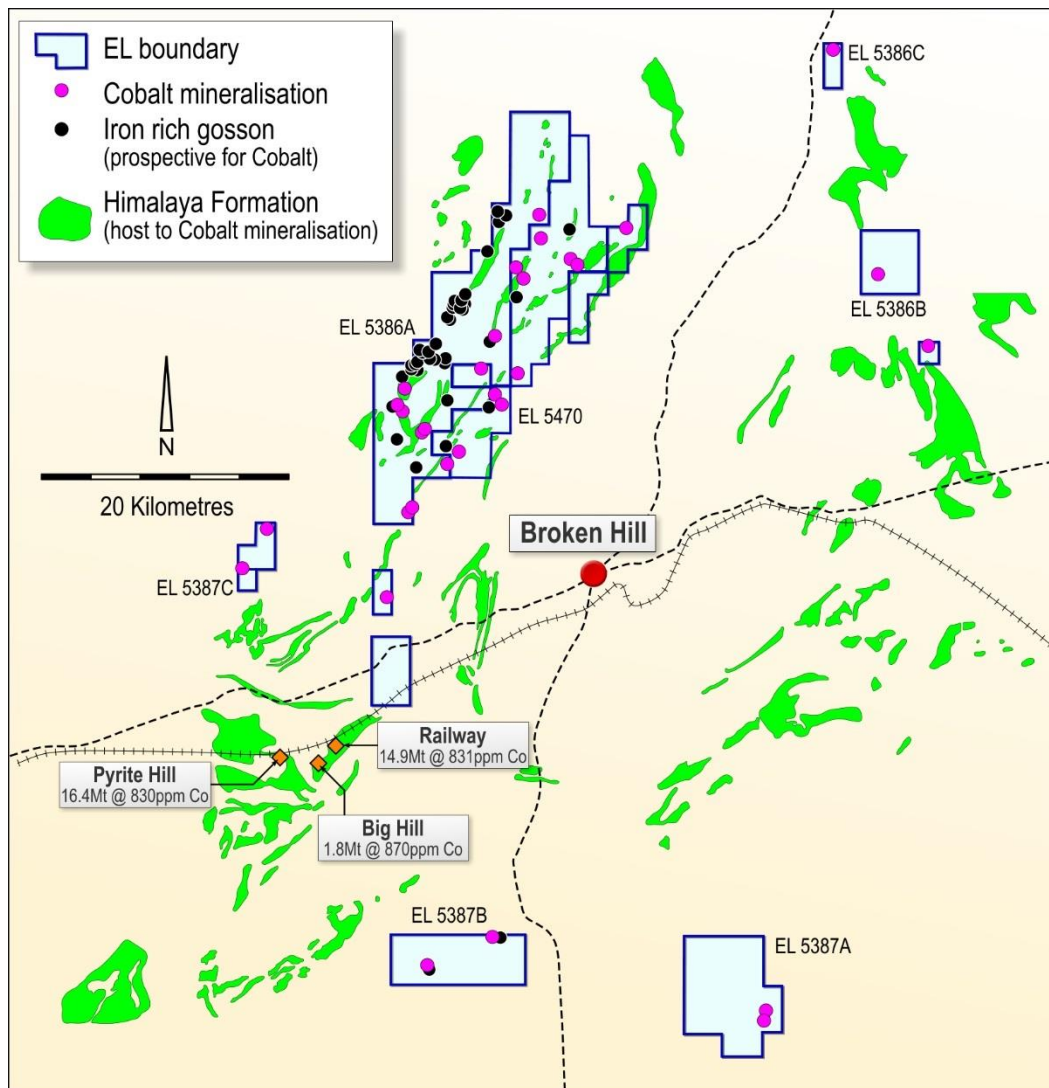


Figure 1: Great Northern Project tenement map

Archer has been meeting with numerous affected landowners and has negotiated and executed land access agreements with key landowners which will allow access to the tenements upon grant.

The Company has been coordinating field work activities with local service providers, with the expectation of commencing field work in early June, after completion of the Ketchowla cobalt and manganese focussed drilling programs.

Archer has accepted the tenement licence conditions and paid all environmental bond amounts and expects the tenements to be granted at any time.

For further information, please contact:

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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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