

ASX Announcement (ASX:AXE)

27 November 2017

SPP closes heavily oversubscribed

Archer Exploration Ltd (ASX:AXE) is pleased to advise that the Share Purchase Plan (**SPP**) which closed on 20 November 2017, was heavily oversubscribed, with the Company receiving valid applications for \$6,445,500 from 648 shareholders.

In light of the strong demand and show of support from shareholders and in an effort to maximise the number of SPP shares to be issued to SPP applicants, the Board of Archer have elected to increase the previously announced cap of \$2,250,000 (30 million shares) to \$3,000,000 (40 million shares) and will undertake a scale back of valid acceptances on a pro-rata basis. This increasing of the cap and the pro-rata scale back is seen by the Board as being the most equitable to all shareholders.

Scale back

As a result of the scale back, applicants will only receive approximately 46.54% of the number of SPP shares for which they applied. For example, if a shareholder lodged a valid application for 100,000 SPP shares at a cost of \$7,500, then they will be allotted approximately 46,540 SPP shares and the excess funds of approximately \$4,009 will be refunded.

The exact number of SPP Shares allotted to each shareholder will be set out in a holding statement to be sent to each successful SPP applicant toward the end of this week.

Archer expects the new shares under the SPP to be issued on 27 November 2017.

Free attaching options

Shareholders who are allotted shares under the SPP are also be entitled to apply for one free attaching unlisted option for every two shares allotted to them under the SPP. The free attaching options (**Options**) will have an exercise price of \$0.075 (7.5 cents) and expiry date of 28 February 2019 (refer to SPP document, as amended, lodged with ASX on 13/11/17).

A prospectus for the offer of the Options will be sent to all shareholders who were allotted shares under the SPP. Eligible shareholders will need to complete the personalised application form and return it to the company in order to receive the Options. Only shareholders who have been allotted SPP shares will be eligible to apply for free Options.

The Company expects to despatch the Option prospectus to eligible shareholders by 5 December 2017.

If shareholders have any questions about the SPP or the offer of the Options, then they should call the Company on the phone number shown below.

For further information please contact:

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