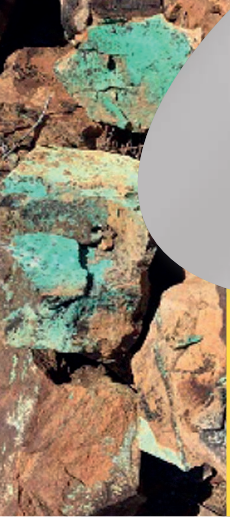


Copper



New Copper-Gold discovery at Blue Hills.

Highly encouraging initial and follow up drilling results 23m of 0.3% copper from surface.

Rock chips up to 8.1 g/t gold.

Archer has several projects that are prospective for copper, including discoveries at Blue Hills (new discovery), North Broken Hill (new discovery), Spring Creek (old underground copper mine) and Emu Plain (copper anomaly on the Eyre Peninsula). All of the copper projects are at early stage exploration status.

In 2016/17, highlights for the copper projects were:

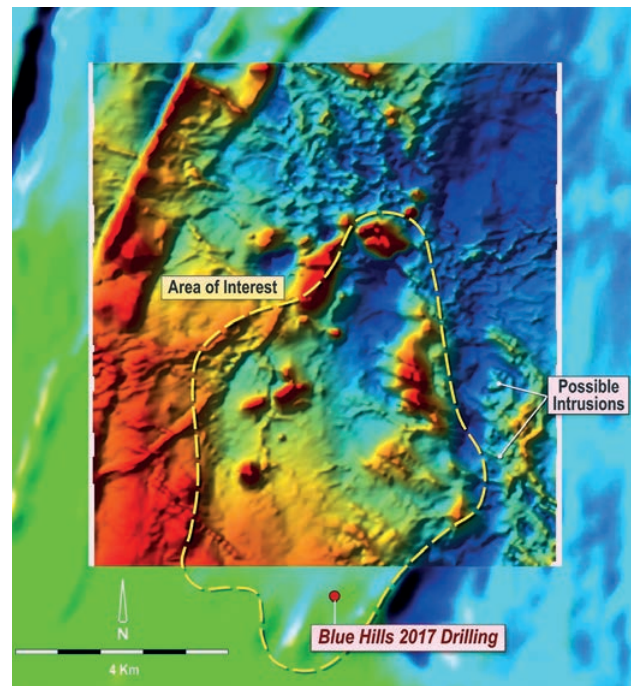
- Maiden drill program at Blue Hills intercepts significant low-grade copper and gold intercepts from surface.
- Large circular intrusive feature (covering an approximate area of 20km²) identified at Blue Hills.
- High grade copper discovered during rock chip sampling at North Broken Hill.

Blue Hills

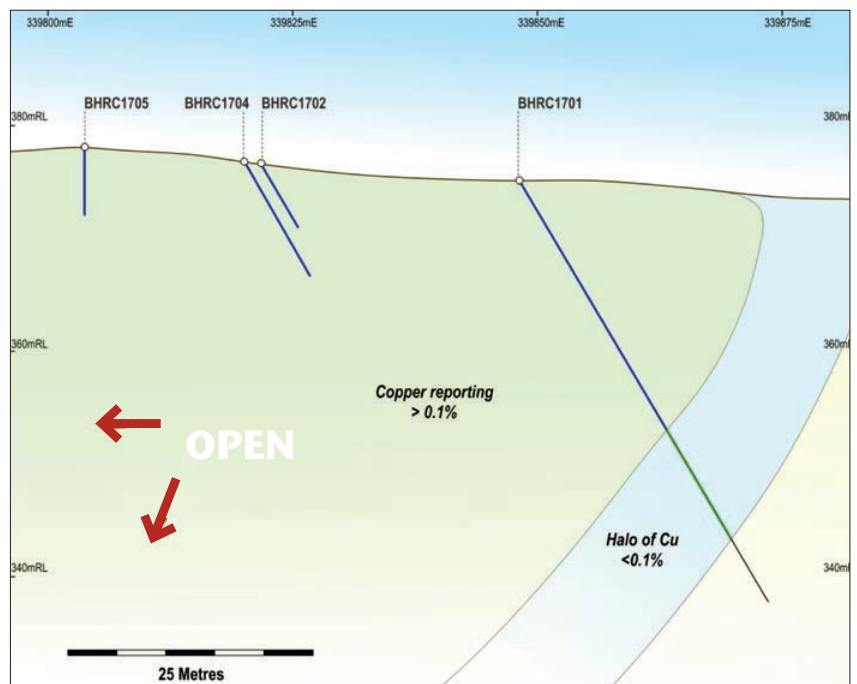
The Blue Hills project is located approximately 5km north of the Ketchowla project and 50km northeast of the township of Burra, SA. Blue Hills is an area of historic copper workings that had not been drill tested by historical explorers.

The Blue Hills mineralisation appears as a fracture infill along the contact of the unconformable contact between the Tapley Hill Formation and the overlying Wilyerpa Formation. Malachite can be clearly seen on the surface as fracture infill and pervasively staining the country rock, indicating a probable igneous source. Trace amounts of chalcopyrite were observed in drill chips adjacent to areas of bleaching of the host rocks.

In May 2017, Archer completed a small reconnaissance reverse circulation (RC) drilling program at Blue Hills. This drilling program was part of a larger scale regional drilling program designed to assess and prioritise areas within the larger North Burra project area, including the Ketchowla project. The Blue Hills drilling intercepted broad intervals of low grade copper from surface, including 23m @ 0.30% copper in hole BHRC1701. Subsequent assays for gold were successful with low grade gold found to be associated with the copper.



Blue Hills: Reprocessed magnetics with Stockdale data integrated with SA Government data - demagnetisation is clearly evident.



Cross-section showing copper mineralisation is open at depth and to the east.

As a result of the early success at Blue Hills, Archer undertook a step out exploration program which was successful in identifying high grade copper (up to 9.0%) and gold (up to 8.1 g/t) in rock chips over a strike length of approximately 1km.

In addition to the exploration program described above, Archer also re-processed existing magnetic data so as to better understand the regional structures controlling the mineralisation at Blue Hills. The higher resolution image from the re-processed data successfully identified an ovoid area of low magnetic rocks, indicating thermal destruction of magnetism typically associated with volcanic intrusions.

The co-location of the magnetic anomaly with the strong copper-gold geochemistry intercepted by shallow drilling and the rock chip sampling at Blue Hills, together confirm a sizeable potential intrusive related copper-gold target. The interpreted dimensions of the magnetic anomaly are significant, covering an area of approximately 20km².

The Company considers Blue Hills to be a large copper target that has the potential to host significant copper mineralisation. Whilst exploration is still in its infancy at Blue Hills, Archer intends to actively explore this project in the expectation of identifying future drill targets.

North Broken Hill

As discussed in the Cobalt section of this document, the North Broken Hill tenements were acquired for their cobalt, rather than copper, potential. However, early reconnaissance exploration by Archer has identified large areas of outcropping copper mineralisation at numerous locations within the larger North Broken Hill project area.

Previous exploration at Broken Hill has been focused on the discovery of Broken Hill style silver-lead-zinc mineralisation which means that many of the copper outcrops have not been sampled or drill tested. Whilst Archer remains focused on the discovery of cobalt at North Broken Hill, the Company will also further explore these prospective copper targets.

The North Broken Hill tenement area is large (covering an area > 400km²) and hosts numerous cobalt and copper targets. Archer intends to actively explore the tenements for cobalt and copper in 2018.

Spring Creek Mine

The historic Spring Creek copper mine is located 30km south of the township of Wilmington, South Australia. Copper mining ceased in 1918 when the mine de-watering pump failed and the mine flooded. Historic drilling (DDH 1/29), intersected copper carbonates some 60m below and parallel to the historical workings returning an assay of 1.8% Cu over a 21m interval). It is believed that the drillhole did not intersect the prospective Brighton Limestone contact which is highly prospective for high grade metasomatic skarn copper mineralisation.

Underground face sampling, completed by Archer in 2015, on the uppermost level of the mine confirmed the presence of significant copper mineralisation peripheral to the former production stopes. Sampling identified a ≈2% copper halo consisting of copper carbonate (malachite and azurite) outside of the main stopes including: 2m @ 1.8% Cu across drive 1 and 4m @ 3.0% Cu across drive 1A and 12m @ 1.9% Cu along drive 3A.

Blue Hills remains Archer's priority and the Company is not planning any further exploration at Spring Creek during the next 12 months.

Emu Plain

Emu Plain is located near Cleve and is the site of the historic Emu Plain copper mine that was first developed in the early 1900s and last re-developed in the 1950s. No production records have been located.

In 2011 Archer conducted a three hole RC drill program to test in the vicinity of the historic shaft. The drilling intersected large intervals of mainly muscovite rich schists. In some intervals, considerable oxidation of sulphides had occurred resulting in the development of minor hematite. In other intervals (as shallow as 20m below the surface) chalcopyrite was observed in trace to minor amounts. Best results from drilling include: 37m @ 0.13% Cu and 4.2g/t Ag from 0 to 37m in EPRC11_001 (EOH) and 60m @ 0.11% Cu and 1.0g/t Ag from 0 to 60m in EPRC11_002.

No exploration activities are planned at Emu Plain during the next 12 months.

Blue Hills, looking north. 50km northeast from the township of Burra.

