

NOTICE OF ANNUAL GENERAL MEETING**Archer Exploration Limited ABN 64 123 993 233**

Notice is hereby given that the Annual General Meeting of the shareholders of Archer Exploration Limited (**Company**) will be held at the Quality Hotel 'Tiffins On The Park', 176 Greenhill Road, Parkside, South Australia 5063, on Wednesday 29 October 2008 at 11.00 am (Adelaide time) for the purpose of transacting the business referred to in this Notice of Annual General Meeting.

The Explanatory Memorandum that accompanies and forms a part of this Notice of Annual General Meeting describes the Ordinary and Special Business to be considered.

ORDINARY BUSINESS**1. Financial Statement and Reports**

To receive and consider the financial statements of the Company for the year ended 30 June 2008, and related Directors' Report, Directors' Declaration and Auditors' Report.

2. Remuneration Report

To consider, and if thought fit, to pass the following non-binding resolution as an ordinary resolution:

"That the Remuneration Report as set out in the 2008 Annual Report is adopted."

Note: *The vote on this resolution is advisory only and does not bind the Directors or the Company.'*

3. Election of Directors

To consider, and if thought fit, to pass the following resolutions as ordinary resolutions:

(a) *'That Alice McCleary, a Non-Executive Director retiring by rotation in accordance with the Constitution of the Company, being eligible is re-elected as a Non-Executive Director of the Company.'*

(b) *'That Gerard Anderson, a Non-Executive Director appointed on 14 July 2008 by resolution of Directors, being eligible is re-elected as a Non-Executive Director of the Company.'*

4. Grant of Options to Non-Executive Director

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

'That, subject to members approving resolution 3, approval be given for the issue of 250,000 Options to Gerard Anderson (Non-Executive Director) on the terms set out in the accompanying Explanatory Memorandum.'



5. Re-Appointment of Auditors

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

'That Grant Thornton South Australian Partnership be re-appointed as the Company's auditors.'

Explanatory notes for Agenda Items 1, 2, 3, 4 and 5, appear on the following pages.

You may view the 2008 Annual Report at the Archer website.

http://www.archerexploration.com.au/pdf/080909_AnnRpt08.pdf

By order of the Board



Craig Gooden
Company Secretary

26 September 2008

NOTES ON VOTING

VOTING ENTITLEMENTS

The Board has determined that, in accordance with the Company's Constitution and the *Corporations Regulations 2001* (Cth), that the members entitled to attend and vote at the Annual General meeting shall be those persons who are recorded in the register of members at close of business on Monday 27 October 2008.

PROXIES

Appointment of Proxy

A shareholder who is entitled to attend and vote at the Annual General Meeting may appoint up to two proxies to attend and vote on behalf of that shareholder. A proxy need not be a shareholder of the Company. A proxy form is included with this Notice of Annual General Meeting.

If a shareholder appoints two proxies, the appointment of the proxies may specify the proportion or the number of that shareholder's votes that each proxy may exercise. If the appointment does not so specify, each proxy may exercise half of the votes. Fractions of votes will be disregarded.

A proxy form must be signed by the member or their duly appointed attorney, or in the case of a body corporate, executed in accordance with the corporation's constitution, or signed by a duly authorized officer or attorney.

To be effective, the Company must receive the completed proxy form signed by the member and, if the form is signed by the shareholder's attorney or authorized officer of a corporation, the authority under which the proxy form is signed (or a certified copy of the authority).

The proxy's appointment and, if applicable, the authority appointing an attorney, must be sent by post or fax **by no later than 11.00am (Adelaide time) on Monday 27 October 2008** to:

1. the Company's registered office at Level 1, 135 Fullarton Road, Rose Park. South Australia 5067 (facsimile number (08) 8364 4288); or
2. the Company's share registrar, Computershare Investor Services Pty Limited, as listed below:-

MAIL:	IN PERSON:	FAX:
Archer Exploration Limited C/- Computershare Investor Services Pty Limited GPO Box 242 Melbourne VIC 3001 Australia	Archer Exploration Limited C/- Computershare Investor Services Pty Limited Level 5, 115 Grenfell Street Adelaide SA 5001 Australia	Archer Exploration Limited C/- Computershare Investor Services Pty Limited (within Australia) 1800 783 447 (outside Australia) +61 3 9473 2555

If you require an additional proxy form, please contact Computershare Investor Services Pty Limited.



Appointment of company representative

A body corporate may elect to appoint a representative, rather than appoint a proxy, in accordance with the Corporations Act. Where a body corporate appoints a representative, the Company requires written proof of the representative's appointment to be lodged with or presented to the Company before the meeting.

Voting by proxies

A proxy may decide whether to vote on any motion, except where the proxy is required by law or the constitution to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed how to vote on an item of business, the proxy may vote on that item only in accordance with the direction. If a proxy is not directed how to vote on an item of business, the proxy may vote as he or she thinks fit.

Where more than one proxy is appointed, neither proxy is entitled to vote on a show of hands.

If a shareholder appoints the chairperson of the meeting as the shareholder's proxy and does not specify how the chairperson is to vote on an item of business, the chairperson will vote, as proxy for that shareholder, in favour of that item on a poll.



ANNUAL GENERAL MEETING – EXPLANATORY NOTES

Archer Exploration Limited ABN 65 123 993 233

This Explanatory Memorandum has been prepared for the information of shareholders in connection with the Annual General Meeting of shareholders to be held on Wednesday 29 October 2008 at 11:00 am at the Quality Hotel 'Tiffins On The Park', 176 Greenhill Road, Parkside, South Australia 5063, on Wednesday 29 October 2008 at 11.00 am.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Annual General Meeting, and is a brief explanation of Agenda Items 1, 2, 3, 4 and 5 in the Notice of Annual General Meeting and why the Company is seeking this shareholder approval.

RESOLUTION 1 - FINANCIAL STATEMENTS AND REPORTS

The *Corporations Act 2001* (Cth) (**Corporations Act**) requires the financial report (which includes the Financial Statements and Directors' Declaration), the Directors' Report and Auditor's Report to be put before the AGM.

There is no requirement either in the *Corporations Act* or the Company's Constitution for shareholders to approve the Financial Report, the Directors' Report or the Auditor's Report. Shareholders will be given a reasonable opportunity at the meeting to ask questions and make comments on these reports.

Whilst no resolution is required in relation to this item, the auditor of the Company or their representative will be available to receive questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the Auditor's Report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the Financial Statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

RESOLUTION 2 - REMUNERATION REPORT

The Directors' Report set out in the 2008 Annual Report contains a remuneration report, which sets out the policy for the remuneration of the Directors, company secretaries and the senior managers. Shareholders who did not elect to receive a hard copy of the 2008 Annual Report and financial statements can view them on the Company's website at www.archerexploration.com.au.

The Remuneration Report provides information on the following issues:

- the policies adopted by the Board for determining the nature and amount of remuneration of directors, the company secretary and senior managers;
- the relationship between the remuneration policies and the Company's performance;
- the performance conditions that apply to the different components of the remuneration structure, why those performance conditions were chosen and how performance is measured against them; and
- remuneration details for directors and senior executives.

The Board believes the Company's remuneration policies and structures as outlined in the Remuneration Report are appropriate relative to the size of the Company, its business and strategic objective and current and emerging market practices.

Shareholders should note that the vote will be advisory only and does not bind the directors or the Company.



Recommendation – The Board recommends that shareholders vote in favour of adopting the Remuneration Report.

RESOLUTION 3(a) - ELECTION OF ALICE McCLEARY

Alice McCleary retires by rotation and offers herself for re-election. The qualifications and experience of Alice McCleary are set out below.



Alice McCleary (48) Director BEc FCA FTIA FAICD

(Director since registration of Company on 16 February 2007)

Alice McCleary is a Chartered Accountant and company director. She is Deputy Chancellor of the University of South Australia, and a director of Great Southern Plantations Ltd, UraniumSA Limited, Adelaide Community Healthcare Alliance Inc, and the Child, Youth and Women's Health Service.

Recommendation - The Directors (other than Alice McCleary, who makes no recommendation) recommend that shareholders approve Resolution 3 for the re-election of Alice McCleary as a Director of the Company.

RESOLUTION 3(B) - ELECTION OF GERARD ANDERSON

Gerard Anderson was appointed as a Director of the Company by the Board on 14 July 2008. In accordance with section 2.4 of the Company's Constitution, Gerard Anderson retires from this position and offers himself for re-election. The qualifications and experience of Gerard Anderson are set out below.



Gerard Anderson (53) Assoc. Applied Geology, Grad Dip Bus.MSc

(Director since 14 July 2008)

Gerard Anderson is a geologist with 34 years of experience including 15 years in senior exploration and mine management roles including Exploration Superintendent at the Boddington Gold Mine for Worsley Alumina, Chief Geologist at the Bronzewing Gold Mine and at KCGM, mine General Manager of Golden Grove operations for Normandy and Newmont, General Manager Joint Ventures for Newmont and Managing Director Croesus Mining NL. He is currently Managing Director of Centrex Metals Ltd.

Recommendation - The Directors (other than Gerard Anderson, who makes no recommendation) recommend that shareholders approve Resolution 3 for the re-election of Gerard Anderson as a Director of the Company.

4. Ordinary Resolution 4: Approval of issue of Options to Non-Executive Director

The Company proposes to issue 250,000 Options to Gerard Anderson, Non-Executive Director, or his nominee. If approved, the Options will be granted at no cost to Gerard Anderson, but will, if capable of being exercised, require the payment of the exercise price set out below.

The terms and conditions of the Options are set out in Annexure A. The exercise price will be 25 cents per share subscribed for and the Options will be exercisable at any time before 14 July 2011.

Please refer to resolution 3 above for Mr Anderson's qualifications and experience.



The Board has reviewed the market standard of remuneration for the position of a non-executive director a publicly listed company of a size comparable to the Company. Based on this, the Board considers it appropriate to issue 250,000 Options to Mr Anderson in order to retain his services and ensure that his remuneration is in line with the market standards.

Resolution 4 seeks Shareholder approval to the allotment and issue of these Options for the purposes of ASX Listing Rule 10.11.

ASX Listing Rule 10.11 provides that a company must not issue or agree to issue securities to a related party, including a director, without first obtaining the approval of members. For this purpose ASX Listing Rule 10.13 provides that the following information must be provided to shareholders:

- the Options will be issued to Gerard Anderson, or his nominee;
- the maximum number of Options to be issued under resolution 4 is 250,000;
- the Options will be issued as soon as practicable after this meeting and in any event no later than 1 month after the date of this meeting;
- the Options will be granted for nil consideration, on the terms set out in Annexure A;
- Each share issued pursuant to the exercise of the Options will rank equally with existing ordinary fully paid shares of the Company; and
- no funds will be raised by the issue of the Options. The funds raised pursuant to the exercise of the Options will be used for the Company's working capital requirements.

If approval is given under ASX Listing Rule 10.11, approval is not required under Listing Rule 7.1.

Recommendation - The Board (other than Gerard Anderson, who makes no recommendation) recommend that shareholders approve Resolution 4 for the issue of 250,000 Options to Gerard Anderson.

The Company will disregard any votes cast on this ordinary resolution Mr Anderson, or any person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary shares) if Resolution 4 is passed (a 'Participating Party') and any associate of a Participating Party. However, the Company will not disregard a vote if it is cast by a Participating Party as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by a Participating Party who is chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

5. Ordinary Resolution 5: Approval of Re-Appointment of Auditors

The Directors appointed Grant Thornton South Australia Partnership as auditors of the company on 20 February 2007. Shareholders are being asked to re-appoint Grant Thornton as auditors as this is the first Annual General Meeting following the original appointment by the Directors.



ANNEXURE A – TERMS AND CONDITIONS OF OPTIONS TO BE ISSUED TO MR GERARD ANDERSON OR HIS NOMINEE

1. Each Option will entitle the holder (**Optionholder**) to subscribe for one fully paid ordinary share (**Share**) in Archer Exploration Limited ACN 123 993 233 (**Company**) (subject to possible adjustments referred to in paragraphs 9, 10 and 11 below).
2. Each Option is exercisable at any time after 9:00 am Adelaide time following the grant of the options and before 5:00 pm Adelaide time on 14 July 2011 (**Expiry Date**). Options not exercised before the Expiry Date will lapse.
3. The exercise price of each Option is 25 cents (**Exercise Price**).
4. Options are exercisable by notice in writing to the Company, delivered to the registered address of the Company and accompanied by the full payment of the Exercise Price in cleared funds.
5. Some or all of the Options may be exercised at any one time or times prior to the Expiry Date.
6. Shares issued pursuant to the exercise of any of the Options will rank in all respects on equal terms with the existing Shares in the Company.
7. The Company will not seek to have the Options admitted to the official list of ASX and the Options will not be listed on ASX. The Company will make application for new Shares allotted on exercise of the Options to be admitted to the official list of ASX.
8. Each Option will be freely transferable at any time before the Expiry Date.
9. Options will not entitle the Optionholder to participate in any new issue of securities by the Company unless the Option has been duly exercised prior to the relevant record date. The Company will ensure that for the purposes of determining entitlements to participate in any new issues of securities to holders of Shares, that the record date will be at least seven business days after the date the issue is announced.
10. If there is a bonus issue to the holders of Shares:
 - (a) the number of Shares over which the Option is exercisable will be increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue; and
 - (b) no change will be made to the Exercise Price.
11. If, prior to the Expiry Date the issued capital of the Company is reorganised, the rights of the Optionholders may be varied to comply the ASX Listing Rules which apply to the reconstruction.



Archer Exploration Limited

ABN: 64 123 993 233

Lodge your vote:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For all enquiries call:

(within Australia) 1300 738 349
(outside Australia) +61 3 9415 4649

Proxy Form

For your vote to be effective it must be received by 11.00am (Adelaide time) on Monday 27 October 2008

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.computershare.com.

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your securityholding
- Update your securityholding

Your secure access information is:



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Archer Exploration Limited hereby appoint

the Chairman of the meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Archer Exploration Limited to be held at the Quality Hotel 'Tiffins On The Park', 176 Greenhill Road, Parkside, South Australia on Wednesday, 29 October 2008 at 11.00am and at any adjournment of that meeting.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
2	To adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3(a)	Re-election of Alice McCleary as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3(b)	Re-election of Gerard Anderson as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Approval of issue of Options to Gerard Anderson or his nominee.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Approval of Re-Appointment of Auditors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date ____/____/____