



Archer Exploration Limited

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SHARE PLACEMENT AND SPP UPDATE

The board of Archer Exploration Limited ("**Company**") is pleased to announce that the Company has completed the private share placement which was announced to the ASX on 29 March 2012. The Company was encouraged by the support received resulting in the Placement being oversubscribed.

The Company has allotted 10,000,000 ordinary fully paid shares at an issue price of \$0.30 each to professional and sophisticated investors ("**Placement**"). The Placement was arranged by InSync Equity Services (Authorised Representative for Dayton Way Financial AFSL 338943) and raised \$3,000,000 before costs.

At the time of announcing the Placement the Company also announced that it was undertaking a Share Purchase Plan ("**SPP**") at \$0.30 per share to raise up to \$1,500,000. The SPP will be capped at \$1,500,000 and the Company will not be accepting oversubscriptions. The Company may elect to close the SPP early (in accordance with the terms and conditions of the SPP) should the \$1,500,000 cap be reached. The full terms and conditions of the SPP will be sent to shareholders.

The funds raised under the Placement will primarily be used to:

- Accelerate resource drilling at the Campoona high grade flake graphite project where previous drilling has identified wide intercepts of graphite grading over 15%C.
- Commence resource drilling at the Sugarloaf graphite project.

An appendix 3B and Notice under Section 708A(5) of the Corporations Act with respect to the Placement have been filed.

For further information please contact:

Greg English
Chairman

ARCHER EXPLORATION LIMITED

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The exploration results reported herein, insofar as they relate to mineralisation, are based on information compiled by Mr. Wade Bollenhagen, Exploration Manager of Archer Exploration Limited. Mr. Bollenhagen is a Member of the Australasian Institute of Mining and Metallurgy who has more than seventeen years experience in the field of activity being reported. Mr. Bollenhagen consents to

the inclusion in the report of matters based on his information in the form and context in which it appears.