

Notice of General Meeting

Archer Exploration Limited (ACN 123 993 233)

Notice is hereby given that a General Meeting (**Meeting**) of the shareholders of Archer Exploration Limited will be held:

Date: Wednesday, 24 January 2018

Time: 10:00 am (Adelaide time)

Venue: Level 1, 28 Greenhill Road, Wayville South Australia 5034

The business to be considered at the Meeting is set out below and in the attached Explanatory Statement which should be read in conjunction with this Notice of Meeting.

Business

To consider, and if thought fit, to pass the following resolutions as an Ordinary Resolution:

Resolution 1 – Subsequent approval of previous issue of SPP Options (Listing Rule 7.1)

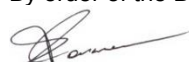
“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of up to 20,000,450 SPP Options, as referred to in the accompanying Explanatory Statement.”

Notes

- The Board has determined under regulation 7.11.37 Corporations Regulations, that only registered holders of Shares as at 7:00pm (Sydney time) on 22 January 2018 are entitled to attend and vote at the Meeting.
- A Shareholder who is entitled to attend and cast a vote at the General Meeting is entitled to appoint a proxy or proxies to attend or vote on the Shareholder's behalf. A proxy need not be a Shareholder.
- A Shareholder entitled to cast two or more votes may appoint up to two proxies and may specify the proportion of votes that each proxy may exercise. If the appointment does not specify the proportion, then each proxy may exercise half of the votes able to be cast by the appointing Shareholder.
- Shareholders wishing to appoint a proxy should follow the instructions on the proxy form included with this Notice of General Meeting and to be effective, the completed proxy form must be received by the Company by **no later than 10.00 am (Adelaide time) on 22 January 2018** by:
 - Online:** Enter the control number, SRN/HIN and postcode shown on the first page of the proxy form at www.investorvote.com.au
 - Mail:** Archer Exploration Limited C/- Computershare Investor Services Pty Limited GPO Box 242 Melbourne VIC 3001 Australia; or
 - Fax:** Archer Exploration Limited C/- Computershare Investor Services Pty Limited (within Australia) 1800 783 447 (outside Australia) +613 9473 2555.
- **Custodian Voting:** Custodian Voting is available for Intermediary Online subscribers only (Custodians) by visiting www.intermediaryonline.com to submit your voting intentions.
- A Shareholder that is a body corporate may appoint a representative (Corporate Representative) to attend in accordance with the *Corporations Act*.

Corporate Representatives or Shareholders with queries on how to complete the proxy form should contact the Company Secretary on (08) 8272 3288 during business hours.

By order of the Board



Damien Connor
Company Secretary
5 December 2017

Explanatory Statement

This Explanatory Statement forms part of the Notice of Meeting and has been prepared to provide Shareholders with information on the Resolutions being considered.

Resolution

Resolutions 1: Subsequent approval of previous issue of SPP Options (Listing Rules 7.1)

Background

On 13 November 2017, the Company offered Shareholders the opportunity to participate in the Company's Share Purchase Plan (**SPP**) to purchase a maximum of \$15,000 of shares at the discounted price of \$0.075 per share. On 27 November 2017, the Company issued 40,000,376 new shares under the SPP. The SPP offer was made in accordance with ASIC Class Order [CO 09/425].

Shareholders who were allotted shares under the SPP will 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 have an exercise price of \$0.075 and an expiry date of 28 February 2019 (**SPP Options**). Given that ASIC Class Order [CO 09/425] does not provide relief for an offer of options, on 5 December 2017, the Company sent a prospectus for the offer of the SPP Options to shareholders who were issued shares under the SPP.

The issue of up to 20,000,450 SPP Options, pursuant to the prospectus dated 7 December 2017, will be issued without Shareholder approval under the Company's 15% placement capacity under Listing Rule 7.1

Resolution 1 seeks ratification of the issue of up to 20,000,450 SPP Options issued under the Company's placement capacity pursuant to Listing Rule 7.1.

ASX Listing Rules

ASX Listing Rules 7.1 allows the Company to issue new Equity Securities up to 15% of the existing capital of the Company, in any 12 month period without the prior approval of Shareholders. The SPP Options will be issued within these limitations.

Under Listing Rule 7.4, an issue of Securities under Listing Rule 7.1 will be treated as having been made with the approval of Shareholders if the issue did not breach the Listing Rules and Shareholders subsequently approve the issue of the Securities. The Company confirms that the issue of the SPP Options does not breach Listing Rule 7.1.

The Company is now seeking Shareholder ratification for the issue of up to 20,000,450 SPP Options, in accordance with Listing Rule 7.4. If Resolution 1 is approved, then the Company's 15% placement capacity under Listing Rule 7.1 will be refreshed.

The Company provides the following information, as required by Listing Rule 7.5:

- (a) Up to a maximum of 20,000,450 SPP Options will be issued prior to the General Meeting, under Listing Rule 7.1.
- (b) SPP Options will be issued for nil consideration.
- (c) See Annexure A for the Terms of the SPP Options. The Terms of the SPP Options were also detailed on the Prospectus for the offer of SPP Options, which was sent to Shareholders who were issued shares under the SPP, on 5 December 2017.
- (d) Up to 20,000,450 SPP Options will be issued to shareholders who were allotted Shares under the Company's SPP offer dated 13 November 2017, who subsequently apply for their entitlement to one free attaching SPP Option for every two shares purchased under the SPP.
- (e) No funds will be raised from the issue of SPP Options. It is anticipated that any funds raised from the exercise of SPP Options (if this occurs) will be used for working capital. There is no guarantee that the SPP Options will be exercised at all.

ASX Waivers

ASX Listing Rule 7.5.6

ASX Listing Rules 7.5.6 and 14.11 provide that the notice of meeting must include a statement to the effect that any person who participated in the SPP must not vote on Resolution 1. As the Company is making offers under the Prospectus for SPP Options to all Shareholders who participated in the SPP, then no person who participated in the SPP would be able to vote on Resolution 1 to approve the issue of SPP Options. In these circumstances, ASX has granted the Company a waiver from ASX Listing Rule 7.5.6 so that any person who participated in the SPP may vote on Resolution 1.

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 shareholder approval. As directors were entitled to participate in the SPP, the company sought, and has been granted, a waiver to permit directors and their associates to participate in the SPP on the same terms as other shareholders without requiring shareholder approval under ASX Listing 10.11. Accordingly, separate approval is not required here under ASX Listing Rule 10.11 for the issue of SPP Options to directors who participated in the SPP.

Board Recommendation

The Directors recommend that Shareholders vote **IN FAVOUR** of Resolution 1.

The Chairman of the Meeting intends to vote all undirected proxies **IN FAVOUR** of Resolution 1.

Definitions

Archer or the **Company** means Archer Exploration Limited (ABN 64 123 993 233).

ASX means ASX Limited (ABN 98 008 624 691).

Board means the board of Directors.

Corporations Act means the *Corporations Act 2001* (Cth).

Corporations Regulations means the *Corporations Regulations 2001* (Cth).

Director means a director of the Company.

Equity Securities has the same meaning as in the Listing Rules.

Listing Rules means the listing rules of ASX.

Meeting means the General Meeting of Shareholders to be held at Level 1, 28 Greenhill Road, Wayville South Australia 5034, on 24 January 2018 at 10.00 am (Adelaide time).

Member or **Shareholder** means each person registered as the holder of a Share.

Notice means this Notice of General Meeting.

Option Holder means the holder of an Option.

Ordinary Resolution means a resolution passed by more than 50% of the votes at a general meeting of Shareholders.

Prospectus means the Prospectus for the offer of Options dated 5 December 2017.

Resolution means a resolution referred to in this Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

SPP means the Company's share purchase plan dated 13 November 2017.

SPP Option means an unlisted option with an exercise price of \$0.075 and expiry date of 28 February 2019, as detailed in the Prospectus and Appendix A to this Notice.

Annexure A

SPP Options – Terms and Conditions

The Options to be issued subject to shareholder approval of Resolution 1, will be issued on the following terms and conditions:

- (a) Each Option gives the Option Holder the right to subscribe for one Share.
- (b) Each Option will expire at 5.00pm (ACDT) on 28 February 2019 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) Subject to paragraph (k) and (n), the amount payable upon exercise of each Option will be \$0.075 (**Exercise Price**).
- (d) The Options held by each Option holder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (e) An Option holder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (ii) a cheque for the Exercise Price for the number of Options being exercised (**Exercise Notice**).
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (h) Subject to the expiry of any applicable escrow period the Options shall be freely transferable.
- (i) All Shares issued upon the exercise of Options will upon issue rank equally in all respects with other Shares.
- (j) The Options will be unlisted and the Company will not apply for quotation of the Options on ASX. However, the Company will apply for quotation of all Shares issued pursuant to the exercise of Options on ASX within 10 Business Days after the date of issue of those Shares.
- (k) If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (l) There are no participating rights or entitlements inherent in the Options and Option holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (m) An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- (n) In the event of a pro-rata issue of securities to holders of Shares, the Exercise Price in respect of any unexercised Options may be adjusted in accordance with the adjustment formula for pro rata issues set out in the ASX Listing Rules at the time when the Options were granted.



Archer Exploration Limited

ABN: 64 123 993 233

AXE

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



Online:

www.investorvote.com.au



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 Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

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

Proxy Form

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 Vote online • Go to www.investorvote.com.au or scan the QR Code with your mobile device. • Follow the instructions on the secure website to vote.	
Your access information that you will need to vote: Control Number: 999999 SRN/HIN: I9999999999 PIN: 99999 PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.	

 **For your vote to be effective it must be received by 10:00am (Adelaide time) on Monday 22 January 2018**

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 or abstain as they choose (to the extent permitted by law). 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 for Postal Forms

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. Delete titles as applicable.

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.investorcentre.com under the help tab, "Printable Forms".

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.

**GO ONLINE TO VOTE,
or turn over to complete the form →**

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

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.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

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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, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Archer Exploration Limited to be held at Level 1, 28 Greenhill Road, Wayville South Australia 5034 on Wednesday 24 January 2018 at 10:00 am (Adelaide time) and at any adjournment or postponement 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.

1 Subsequent approval of previous issue of SPP Options (Listing Rule 7.1)

For

Against

Abstain

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☐

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The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN

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

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and Sole Company Secretary Director Director/Company Secretary

Contact Name Contact Daytime Telephone Date / /