

3 May 2012

General Manager
The Company Announcements Office
Australian Securities Exchange

SHARE PURCHASE PLAN (SPP) CLOSED EARLY AND OVERSUBSCRIBED

The Board of Archer Exploration Limited (“**Company**”) advises that the SPP has been oversubscribed and has exceeded the cap of \$1,500,000 and has been closed early. The SPP was due to close on Monday 7 May 2012.

The Directors advise that applications received by mail postmarked 3 May 2012 or earlier, or by BPay up to 6.00 pm on 3 May 2012 will be accepted and scaled back. Any application monies received after the close will be fully refunded.

The early closing of the oversubscribed SPP comes shortly after a successful Placement to sophisticated investors of a further \$3.0 million (before costs) in late March 2012 and the sale of the Company’s West Roxby Area Tenements for \$8.0m (refer to ASX announcement of 30 April 2012).

The funds from the SPP will primarily be used to accelerate resource drilling at the Company’s 100% owned Campoona and Sugarloaf graphite projects.

The Directors wish to thank all shareholders who have participated in the SPP for the continued confidence they have shown in the Company.

Directors continue to reserve the right to waive strict compliance with any provision of the SPP terms and conditions.

For further information please contact:

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