Annual Report

For the year ended
30 June 2022

Archer Materials Limited
(ABN 64 123 993 233)

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The laboratory plant and equipment shown in the photos and images in this report are not assets of the Company.

Chairman's Letter

Greg English
Executive Chairman

The 2021/22 financial year was genuinely transformative for Archer as we completed our transition from a mineral exploration company to a semiconductor company with a focus on quantum computing.

When we signed the licence agreement with the University of Sydney for the ^{12}CQ quantum chip technology, we viewed the opportunity as complementary to potential graphite mining operations on South Australia's Eyre Peninsula. However, it soon became apparent that with the quantum computer chip, we have the potential to change the world and create something that is truly unique. Therefore, the decision was made to sell the mineral exploration tenements to focus on our technology development.

When transitioning from mineral exploration, we believed that we could derive greater value from our tenement portfolio if the tenements were sold to different companies rather than a sale to one company. Our magnesite project was sold to a Canadian company (Volatus Capital Corp), the graphite and kaolin to a newly listed ASX company (iTech Minerals), and the manganese and kaolin to another ASX company (ChemX Materials).

Shareholders invest in Archer for different reasons and a decision was made to distribute to Archer shareholders iTech Minerals shares received from the sale of the graphite and other projects.

The in-specie distribution of shares allowed Archer shareholders to maintain exposure to the mineral tenements while also benefitting from the ^{12}CQ Project through their underlying Archer shareholding.

With the ^{12}CQ Project, we plan to design and build a quantum computer chip that can be onboarded to devices like iPhones, laptops, cars etc. We are not looking to compete against organisations like Google, Microsoft, IBM and Intel and others who are racing to build quantum computers that will be standalone and are not designed to be integrated into standard devices. Just like there is a market for different types of computers (e.g. laptops, desktops and supercomputers), there will be different markets and needs for different types of quantum computers.

Therefore, just because someone built a quantum computer before Archer does not mean that we have "lost the race" as we are all targeting different segments of what is expected to become a vast market.

Quantum computers have the potential to revolutionise computation by making certain types of classically intractable problems solvable. We believe that every industry will be affected by quantum computing.

Chairman's Letter

They will alter how business is done, from the security systems in place which protect data, how we battle illnesses and create new materials and to how we tackle health and climate challenges.

Organisations and governments around the world are pouring billions of dollars into quantum research and development, and we are often asked "how can we compete against such organisations?". We know that quantum computing is not driven by a single development, a single person, or by a single company.

Our success with the ^{12}CQ chip technology is based on our ability to access world class facilities in Australia and abroad, and to attract talented and clever scientists and technicians.

The semiconductor facilities and infrastructure we utilise allow us to undertake complex research and development activities using plant and equipment that is some of the highest of hi-tech. We work with, and share laboratories, with large multinational and government organisations that are developing quantum computers and devices.

One of our major achievements over the past few years has been our ability to attract world class scientists and technicians to Archer. Our CEO, Dr Mohammad Choucair, has done an excellent job building a strong team of experts who will drive the development of the ^{12}CQ quantum computer chip.

> Despite the drastic effects of COVID over the past two years and challenges of accessing talent, Dr Choucair has managed to grow his team and continue the development of the ^{12}CQ Project. An outstanding achievement by Mohammad and his team.

Since ASX listing in 2007, we have always maintained a diversified portfolio of projects, allowing us to spread risk across different projects. This strategy has worked well for the company and Archer shareholders.

Although our key focus is the ^{12}CQ chip technology, we are also developing a biochip, a lab-on-a-chip technology to enable the complex detection of some of the world's most deadly communicable diseases.

> We are currently focused on micro- and nano-fabrication of the biochip device components, which is a significant technological challenge to potentially commercialising lab-on-a-chip devices.

The biochip and the quantum computer chip are advanced semiconductor devices that share many of the same laboratory facilities and people. The biochip development complements the ^{12}CQ Project work while allowing the Company to diversify risk. We own 100% of the biochip intellectual property rights, which will maximise our commercialisation opportunities in the future.

During the year, one of our founding directors, Dr Alice McCleary, retired as a non-executive director of the company. Dr McCleary oversaw the initial public offering and ASX listing of Archer and its transition to a technology company.

We conducted an extensive search to find a new non-executive director with tech experience, and in October 2021 were fortunate to appoint Bernadette Harkin as a non-executive director.

Bernadette has over 20 years of experience working as a business technologist across strategy, sales, marketing, operations, and delivery for multinational Information Technology companies. Bernadette's international expertise will be instrumental as we commence our overseas expansion.

The recent volatility in world economic and share markets has seen a sell-down of technology companies and other high risk growth sectors. As a result, the Archer share price has reduced in line with the share prices of many well-known technology companies across the globe.

We appreciate that the current Archer share price is lower than the issue price for new shares under last year's share placement and share placement plan.

However, we have the building blocks in place to grow the share price as the broader technology sector recovers, and as we develop our quantum and biochip technologies.

Something that sets Archer apart from some of our peers is the continuous engagement and relationship with our shareholders. In addition to our ASX releases, during the year Dr Choucair and his team regularly released newsletters and social media updates for shareholders and investors.

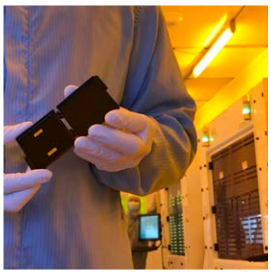
With the lifting of COVID restrictions, we were able to commence our interstate shareholder briefings, allowing management to interact with shareholders.

We look forward to continuing these events regularly throughout the next year.

We could not have achieved what we did last year without our shareholders' support, particularly those shareholders who participated in the share purchase plan and approved the sale of our mineral exploration business to iTech Minerals.

Dr Choucair and his team have done a fantastic job developing the different projects in a COVID constrained world. On behalf of the Board, I would like to thank them for their enthusiasm, hard work and dedication.

The next year is exciting for the Company as we commence our overseas expansion and move to the next stage of the quantum computer chip and biochip development. We will also look for other value accretive opportunities to grow our business and diversity risk.

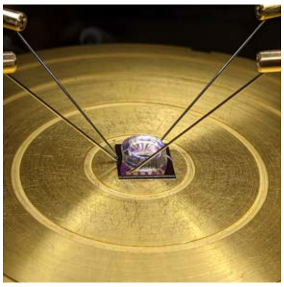


Greg English
Executive Chairman

Adelaide
Dated this 21st day of September 2022

Operating and financial review

Strategy



Archer is a technology company that operates within the semiconductor industry.

The Company aims to develop and commercialise advanced semiconductor devices, including chips relevant to quantum computing and medical diagnostics.

In 2021/22 the Company:

> Successfully, and for the first time, detected quantum information in the 12CQ qubit material on-chip and at room temperature using mobile phone compatible technology.

> Progressed international patent applications with patents granted in relation to the 12CQ chip technology in the US, China, Australia, South Korea, and Europe.

> Gained commercial access to world class semiconductor research and prototyping infrastructure and facilities, and technical experts in Australia and internationally to develop Archer's technology.

> Participated and contributed to informing the development of Australia's National Quantum Strategy led by Australia's Chief Scientist.

> Developed its first biochemical reactions for the detection and quantification of nucleic acid sequences, for use in its biochip technology, in parallel to its significant nanofabrication progress.

> Completed the sale of the Company's mineral exploration business and all remaining mineral tenements.

> Changed its company GICS code to "Semiconductors", and was added to the S&P/ASX All Technology Index and the All Ordinaries Index.

In 2022/23, Archer's growth involves:

> Progressing its world-first technology development, including its 12CQ quantum computing chip and graphene-based lab-on-a-chip biochip.

> Establishing and strengthening strategic commercial partnerships advancing the Company's technology.

> Utilising world-class technology development infrastructure and facilities, R&D, people, and IP, to support pre-market development.

> Protecting intellectual property (e.g., patents and international patent applications) with global competitive advantages underpinning the Company's technology.

> Hiring new staff to expedite the development and commercialisation of the Company's technology.

Summary of financial performance

The net loss of the Group for the year ended 30 June 2022 was $14,115,728 (2021: $6,593,262) and includes:

> Share based payments expense of $9,945,024 representing the fair value of unlisted share options issued during the year ended 30 June 2022 (2021: $404,250).

> Unrealised loss associated with the fair value adjustment of Archer's share investments in:
- Volatus Capital Corp as at 30 June 2022 of $695,939 (2021: $1,796,488); and
- ChemX Materials Limited as at 30 June 2022 of $752,123.

> Net loss for the year ended 30 June 2022 from discontinued operations of $67,223 (2021: $3,786,351). Refer Note 18.

The above expense items are offset by:

> A $464,224 gain associated with the prior period sale of exploration assets to ChemX Materials Ltd ('ChemX'). During the year ended 30 June 2022 Archer received a further 2,321,119 shares in ChemX as payment of the purchase price, according to the terms of the sale agreement. The transaction was completed on 18 June 2021. Refer Note 20.

> A gain on the sale of plant and equipment ($45,000) and service fee income associated with the provision of technical assistance to third parties ($30,000).

> A $973,000 other income item being the estimated research and development tax incentive receivable based on associated expenditure for the year ended 30 June 2022.

During the year ended 30 June 2022 the Group's net cash position increased by $20,224,588 from $6,239,099 (1 July 2021) to $26,463,687 (30 June 2022) and the Group has no corporate debt.

This net increase in cash was predominantly influenced by the following cash inflows:

> a share placement to professional and sophisticated investors ($15,000,000) before costs;

> a share purchase plan to eligible Archer shareholders ($10,000,000) before costs;

> the exercise of unlisted share options ($620,352);

> receipt of a research and development tax incentive ($464,051);

> receipt of an innovation grant ($25,000); and

> proceeds from the sale of plant and equipment, interest income and service fee income ($87,915).

These inflows were offset by outflows associated with:

> direct expenditure on advanced materials and technology activities ($2,259,068),

> intellectual property assets and plant and equipment ($120,709), and

> corporate, administration and wages (net of allocations to advance materials & technology activities) expenditure ($2,438,381); and

> outflows from discontinued operations ($135,111). Refer Note 18.

Changes in equity

Shares

The number of Archer ordinary shares on issue increased from 227,506,546 (1 July 2021) to 248,467,207 (30 June 2022) during the year as a result of the following events:

> Share placement to professional and sophisticated investors (10,344,828 shares).
> Share purchase plan to eligible Archer shareholders (6,897,556 shares).
> The exercise of unlisted share options (3,718,277 shares).

The Company's share capital was reduced following a capital reduction effected by way of in-specie distribution of 50,000,000 shares in iTech Minerals Ltd ('iTech') to Archer shareholders on 15 October 2021 with a fair value of $10,000,000. The 50,000,000 shares in iTech were issued as consideration for the sale of the Company's remaining mineral exploration business to iTech. Refer to Note 18.

Unlisted options

The number of share options on issue increased from 14,518,277 (1 July 2021) to 34,850,000 (30 June 2022) during the year as a result of the following events:

> 24,050,000 unlisted share options were issued to directors and employees following shareholder approval at the Company's Annual General Meeting held on 24 November 2021. The share options are exercisable at $1.79 each and expire on 31 May 2025.

Reduced by:

> 1,400,000 share options (exercise price of $0.1929 and expiry date of 31 March 2023) were exercised into Shares.
> 2,318,277 share options (exercise price of $0.1511 and expiry date of 31 March 2023) were exercised into Shares.

Performance rights

There were no performance rights issued during the year or on issue as at the date of this report.

Dividends

There were no dividends paid, recommended or declared during the current or previous reporting period, or as at the date of this report.

As detailed above, the Company did undertake a $10,000,000 capital return reflecting the in-specie distribution of iTech shares.

Factors and risks affecting future performance

The following describes some of the external factors and business risks that could have a material impact on the Company's ability to deliver its strategy:

Access to funding

The Company does not receive any income from its operating business and the Company is reliant on capital raisings, grant funding, research and development incentives and the sale of non-core assets to fund its future operations.

Therefore, the Company's ability to continue to develop its technology is contingent upon the Company's ability to source timely access to additional funding as it is required.

Key agreements

Development and potential commercialisation of the ^{12}CQ quantum computing qubit processor chip intellectual property and associated patents and patent applications are dependent on the Licence Agreement with the University of Sydney remaining in-place.

Termination of the Licence Agreement would mean that Archer would be unable to access the intellectual property required to commercialise the associated quantum technology.

As at the date of this document, the Company is not aware of any grounds that the University of Sydney may have to terminate the Licence Agreement.

Intellectual property

Commercially exploiting and legally protecting the intellectual property underlying the Company's technology, including its graphene-based lab-on-a-chip biochip technology development, is dependent on the Company progressing its associated patent applications.

The protection of intellectual property, including patents and patent applications, has the potential for third-party claims against the Company's owned or licensed intellectual property.

There is also a risk that all reasonable efforts by the Company to protect proprietary rights may not be sufficient or effective, including risks that intellectual property may not have adequate patent or copyright protection for certain innovations, that the scope of available protections is insufficient, or that an issued patent may be deemed invalid or unenforceable in certain jurisdictions.

As at the date of this document, the Company is not aware of third-party claims against the Company's owned or licensed intellectual property or any patent or patent application lapsing, being refused, or expiring.

COVID-19

The development of the Company's technologies requires access to institutional scale infrastructure and facilities which if shutdown due to COVID-19 would restrict Company access during the periods of closure.

The Company currently has access to facilities and collaborators in numerous locations in Australia, Germany, Switzerland, and the USA to help limit the impact of any closures. Border closures and restrictions on international and domestic travel may limit the Company's ability to hire personnel and perform development work in facilities interstate and abroad.

Key personnel

The Company's technology is unique, with very few people available globally with the required knowledge, skills, relationships, and experience to develop the technologies towards future commercialisation.

The Company's projects may be delayed if key personnel are not available to work on the projects.

Development and commercialisation

Archer has not completed the development of any of its technologies and does not currently have any commercial agreements to distribute devices or consumables.

The Company's ability to generate revenues in the future will be subject to a number of factors, including but not limited to the technologies performing to a level sufficient to warrant commercialisation.

The development, testing and manufacture of novel technologies is a high risk industry and there is no guarantee that the Company will be able to successfully commercialise the technologies (including in a profitable sense).

Technology and commercialisation risks

Archer's business depends on technology and is subject to technological change. The Company, if not in a position to respond to such technological changes may be unable to compete effectively.

Given the increasing level of competition within the semiconductor industry, the failure or delay in developing or adopting new technology competitively may result in a reduction in customer demand and in turn reduced financial and operation growth. The technological changes within the semiconductor industry may require the Company to devote additional resources to adapt or improve its products.

There is the risk that such resource allocation and investment in new initiatives may be unsuccessful or result in significant losses.

The Company's Operations

Archer is a technology company that operates within the semiconductor industry.

The Company is developing and working towards commercialising advanced semiconductor devices, including chips relevant to quantum computing and medical diagnostics. The Company is progressing the development of its ^{12}CQ quantum computing qubit processor chip and graphene-based 'lab-on-a-chip' technology.

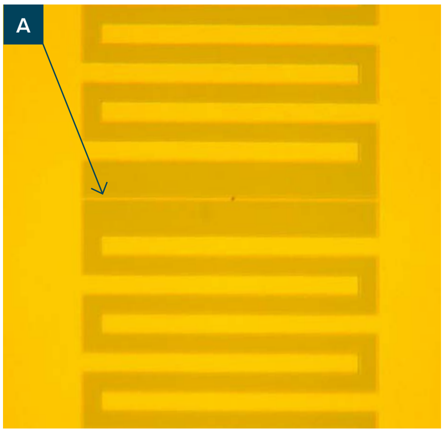
^{12}CQ Chip

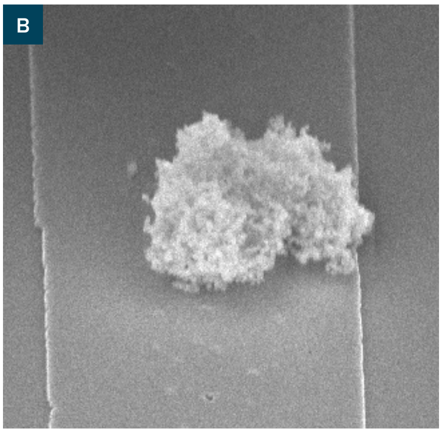
Archer's ^{12}CQ is a world-first qubit processor technology that could allow for mobile quantum computing powered devices.

During the year, the Company made significant progress in the development of its ^{12}CQ chip. Progress spanned technological and commercial development, and international intellectual property prosecution.

Archer made significant technology development progress towards on-chip qubit control, reporting the first indication of on-chip qubit control in microscopic-scale qubit material. For the first time, Archer recorded the Continuous Wave Electron Spin Resonance ("cw-ESR") signals arising from a specially fabricated superconducting on-chip resonator semiconductor device integrating microscopic quantities of qubits. Initial results indicated the obtained on-chip cw-ESR signal signature was characteristic of the qubit material.

Importantly, the on-chip cw-ESR signal signature was found to be in excellent agreement with the well-studied, repeatable, and scientifically published signal obtained from room-temperature measurements performed on macroscopic ('bulk') quantity qubits using cw-ESR instruments.





Measuring quantum information residing on qubit materials using chip devices.

A *- An example of a specially fabricated superconducting on-chip resonator semiconductor device. Arrow points to a dark spot indicative of a microscopic qubit cluster quantity (magnified in B) ten times smaller than the width of a human hair. The superconducting operating temperatures of the device are unrelated to Archer's qubits' potential to operate at room temperature.*

B *- The ultraprecise placement of a microscopic cluster of qubit material on a cw-ESR signal detection area. Individual qubits are not visible at the image magnification.*

^{12}CQ Chip

With the early indication of on-chip qubit control the Company's ^{12}CQ quantum computing chip technology development continued and is on track towards achieving 'qubit control' under various qubit environments, including few and single qubits.

Device fabrication and characterisation measurements are being performed by Archer staff at various lab facilities.

During the year, the Company for the first time validated that the qubits' quantum coherence properties are preserved under an inert atmosphere.

Archer also found that the quantum properties of the bulk qubit material could be recovered even after the qubit material experienced shelf-lives exceeding years, and when placed under extreme exposure to high temperatures for at least several weeks (i.e. the qubit material withstood exceptional degradation conditions that are possible in chip-based environments).

Quantum coherence is the fundamental requirement for quantum logic operations that are the basis of any qubit processor hardware.

For potential integration and use of qubit materials in practical chip devices, it is significant to demonstrate and validate qubit robustness at room temperature and under atmospheric environments other than that of air or vacuum.

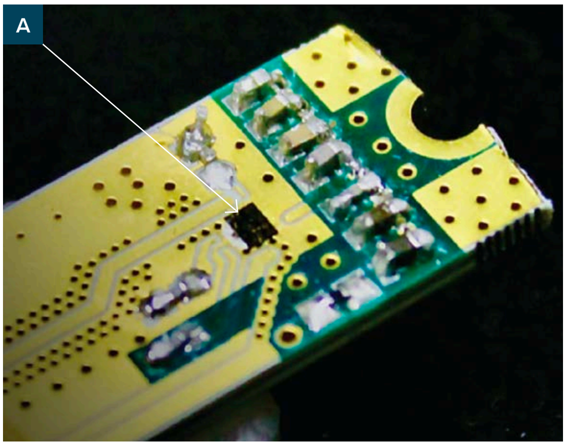
The Company then for the first time detected quantum information in the ^{12}CQ qubit material on-chip and at room temperature using mobile phone compatible technology.

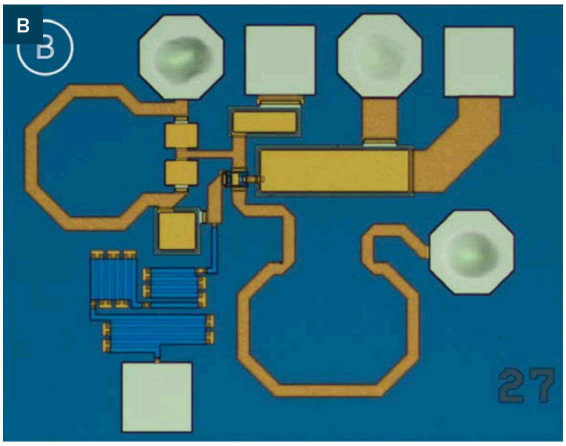
Archer and teams from the world-class institute EPFL (École Polytechnique Fédérale de Lausanne), located in Switzerland, used a single-chip integrated ESR detector based on a high electron mobility transistor ("HEMT") technology to detect and characterise the as-prepared 12CQ qubit material in a controlled atmosphere at room temperature.

The signal characteristics obtained agreed with the well-studied, repeatable, and scientifically published results obtained from room temperature measurements performed on macroscopic ('bulk') quantities of the qubit material using continuous wave ESR instruments.

Electron spin resonance setup to validate qubit robustness.

^{12}CQ Chip





A - *The integrated single chip ESR detector based on HEMT.*

B - *A microscope image of a region in A (arrow points to area inside the black square in the centre of the chip) of approximately 0.5mm x 0.5mm showing the miniaturised on-chip ESR componentry used to detect the quantum spin states in Archer's 12CQ qubit material at room temperature.*

The unoptimised ESR chip devices were of sufficient sensitivity to detect the electron spin in a few picolitres (picolitre is a trillionth of a litre) of qubit material at room temperature.

The quantum information in the qubit material is in the form of an electron's 'spin' states. The quantum states were found to be sufficiently well preserved when operating in an on-chip environment.

The single-chip resonator was developed at EPFL, and manufactured by semiconductor company OMMIC using existing foundry processes and facilities, near Paris, France.

HEMT devices are widely used in integrated circuits, for example in mobile phones, and are well-known in the semiconductor industry due to their low power consumption (the HEMT based ESR detector chip device consumed approximately 90 µW of power at room temperature operation).

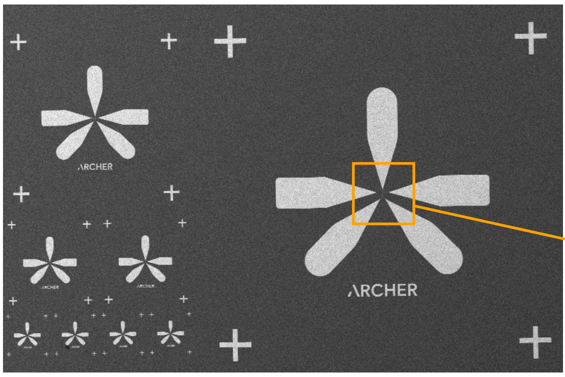
The HEMT technology was initially utilised for the ESR chip in part to confirm the advantages of low power consumption offered by a HEMT for the qubit measurements, and the chip having simplified integrated electronics to a single transistor.

The coherent control of quantum information in qubit materials is the fundamental requirement for quantum logic operations that are the basis of any quantum computing qubit processor hardware.

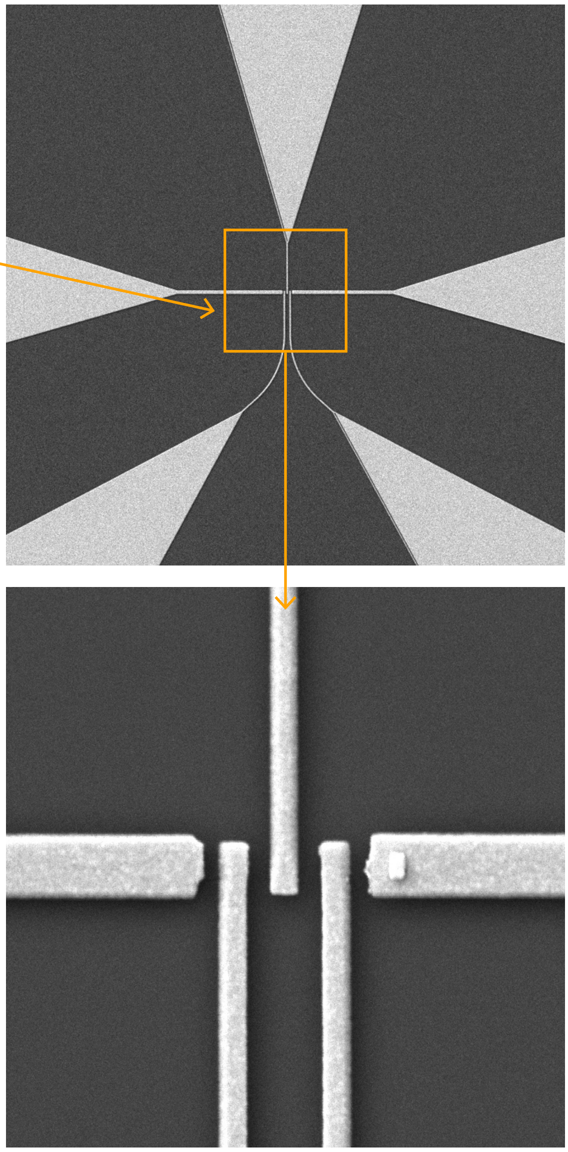
For potential development and use of Archer's qubit materials in practical quantum processor chip devices, it is significant to demonstrate the room temperature detection of quantum information using mobile-compatible device technology.

By demonstrating the detection of electron spin quantum states using a single chip ESR detector based on HEMT, the technology paves the way for the implementation of the complex qubit control characteristics required in quantum circuits.

^{12}CQ Chip



An example of typical electronic nanodevices fabricated towards qubit readout. The complex features, that appear as a lighter shade, are of various sizes and proximity, purpose developed for initial quantum measurements on cluster, few, and single qubits.



Archer then successfully fabricated nanodevices that will allow probing of quantum behaviour in its qubit material that is of fundamental importance to the ^{12}CQ chip technology operation.

Significant innovation is required to produce the nanodevices. The nanodevice fabrication is the first step towards the readout of quantum states from few and single qubits used in Archer's ^{12}CQ technology.

Nanofabrication was performed using state-of-the-art lithography and specialised software, to obtain feature sizes compatible with a few to single qubits.

The fabrication process is repeatable and reproducible at scale, solving challenges related to complex nanodevice proximity effectsand the on-chip integration of micron and nanometre size features.

^{12}CQ Chip

During the year, Archer had patents related to the ^{12}CQ chip granted in South Korea, China, Australia, and reached its most significant early-stage commercial milestone with the granting of the US patent.

A European patent grant provided protection in a further 12 countries including Belgium, Switzerland & Liechtenstein, Germany, Spain, France, the United Kingdom, Italy, Turkey, the Netherlands, Sweden, and Ireland.

Patent protection in these countries is required for any future commercial operations in the respective countries, and the Company these countries as critical strategic jurisdictions to protect and commercialise its IP. Archer will need patent protection in the world's largest global economies if the Company is to participate in the semiconductor industry.

The US Patent (Patent No. 11126925) protection provides Archer with access to the world's largest economy to exploit IP rights related to the ^{12}CQ chip and is a significant step in the Company's efforts to participate in the US technology economy. The US leads the world in digital legal frameworks and incentivises long-term investments in research, innovation, and invention.

The US has announced that quantum technology and the semiconductor industry are key priorities of investment in the US for its global technology leadership plans. The US recently entered into a trilateral security partnership with Australia and the UK called 'AUKUS', with a focus that includes quantum technologies. The US has also passed into law the National Quantum Initiatives Act, and introduced the Innovation and Competition Act ("ICA").

The Chinese Patent (Patent No. 4606612) protection gives Archer access to the world's second largest economy to exploit IP rights related to the ^{12}CQ chip. China has the world's largest population and market size, with over half a billion people using mobile devices in an economy that is transitioning from a low-cost manufacturer to a consumer of technology incorporating AI, autonomous systems, and blockchain.

In the commercialisation of Archer's ^{12}CQ chip, the Company will look to use existing chip manufacturing facilities to build the ^{12}CQ chip.

Most of the world's chip manufacturing takes place in Asia. Archer must have patent protection in the relevant countries if the Company wants to utilise these chip manufacturing plants in the future.

For example, the South Korean Patent (No. 10-2288974) protection is significant, as South Korea is a major global manufacturer and exporter of semiconductor chip devices, with its conglomerates, Samsung Electronics and SK Hynix, among the top producers of semiconductors in the world.

Advanced materials, AI, and quantum technologies are all listed and identified as critical technologies of national interest by the Australian Government. During the year, the Company signed a non-binding memorandum of understanding ("MOU") with The University of Adelaide.

By signing the MOU the Company has entered into a strategic relationship with the Australian Institute for Machine Learning ("AIML") that will focus on advanced materials development, device fabrication and characterisation, and the development of quantum semiconductors relevant to Archer's ^{12}CQ chip technology. Cooperation between Archer and AIML is intended to last 5 years.

During the year Archer and Artificial Intelligence and Machine Learning consulting firm, Max Kelsen, continued to work on developing quantum algorithms towards a use-case with verifiable quantum advantage.

This first collaborative project between Archer and Max Kelsen is focused on advancements in the area of quantum neural networks. The project is on track and near completion, and during the year, jointly developed code was implemented using IBM's Qiskit quantum programming language and submitted to IBM for integration into the globally available Qiskit repository.

During the year the Company concluded its participation in the IBM Startup Program. Archer has moved beyond the Startup Program however, the Company will continue to access IBM's quantum computing expertise and resources and open-source Qiskit software and developer tools, and continues discussions with IBM about participation in other programs.

^{12}CQ Chip

Description or Archer's technology patents and patent applications

Filing date	Technology summary
3 Dec 2015	**A quantum electronic device.** Quantum electronic devices for processing qubits represented by an electron spin on a new type of carbon nanomaterial and methods for using this material in quantum computing.

Stage & Coverage	Patent/Application Number
Granted	
Japan	6809670
South Korea	10-2288974
China	4606612
United States of America	11126925
Europe	3383792
Australia	2016363118
Pending	
Hong Kong	18115770.4

Filing date	Technology summary
15 Feb 2019	**Graphene complexes and compositions thereof.** Complexes comprising graphene compositions, methods of synthesising these complexes and compositions, and the use of these complexes and compositions in biomolecular sensing.

Stage & Coverage	Patent/Application Number
Pending	
Australia	2020220236
United States of America	17429442

Filing date	Technology summary
1 Dec 2021	**Detection and quantification of nucleic acids.**

Stage & Coverage	Patent/Application Number
Provisional patent	
Australia	2021903898

Filing date	Technology summary
31 Mar 2022	**Fabrication and processing of graphene electronic devices on silicon with a SiO2 passivation layer.**

Stage & Coverage	Patent/Application Number
Provisional patent	
Australia	2022900845

Patent Family

^{12}CQ chip (dark blue) Biochip (orange)

^{12}CQ Chip

During the year, the Company continued its focus on scaling up its domestic and international capabilities in advanced semiconductor design, fabrication, and prototyping. This included access to infrastructure and facilities, and also the recruitment of talent in the quantum computing industry to grow the Archer team.

The Company has proceeded to gain access to the Australian Nanofabrication Facility UNSW Sydney node. This infrastructure and facilities provides Archer access to multi-million dollar instruments such as the specialised RAITH150 Two Electron-beam Writer which is designed to help with Archer's transition from single-device-oriented R&D towards small-batch high-resolution fabrication of nanodevice prototyping. This access expands on Archer's operation within the Research and Prototyping Foundry in Sydney.

Archer continued its recruitment drive into 2022. Archer has been approved by the Australian Department of Home Affairs as a standard business sponsor, which now broadens the scope of potential talent the Company could pursue by allowing the Company to sponsor international workers.

During the year, Archer staff attended the Quantum Australia conference in Sydney, in February 2022, which included over 800 participants and 100+ quantum experts, including the Chief Scientist of Australia, and Archer's collaborators from IBM and the global IBM Quantum Network.

Archer staff attended the Quantum.Tech Conference in Boston, US, and the Q2B Conference in Silicon Valley. Archer enrolled in the American Chamber of Commerce Global Leadership Academy.

The Company maintains recent and ongoing participation and contributions in informing the development of Australia's National Quantum Strategy. The strategy development, and such roundtables, are led by Australia's Chief Scientist Dr Cathy Foley.

Archer staff also participated as panelists in the South Australian Forum on the Industrial Application of Quantum, led by Australia's Chief Scientist, and South Australia's Chief Scientist.

Further information on Archer's global competitive advantage and tech differentiation.

Quantum computing technology is a new way of computing that is distinct from current computing technologies (e.g., silicon-based transistor and memory chips including CPUs. GPUs. Flash/DRAM, 'neuromorphic' processors etc.).

A qubit processor ("Quantum Chip") is the most crucial hardware component of a quantum computer. Quantum Chips come in a variety of forms depending on the qubit type and materials used (in contrast to the modern computing industry dominated by silicon/semiconductors).

Many quantum computing proposals currently use Quantum Chips that require materials and qubits which operate at low temperatures and/or are difficult to integrate in modern electronics, which limits ownership and use of practical quantum devices.

The scientific breakthrough made in 2016 to realise Archer's ^{12}CQ qubit material is available online in the peer-reviewed scientific journal Nature Communications', which reports the advantages, technological trade-offs, and the technological barriers that have been overcome towards realising practical quantum computing, over several other qubit proposals (e.g. nitrogen-vacancy centre nanodiamonds, isotopically enriched fullerenes, quantum dots, molecular magnets, phosphorous in silicon, fullerenes, nanomagnets, superconductors, etc.).

Some of the advantages of Archer's ^{12}CQ chip qubit material include the combination of the potential use for room temperature quantum computing and integration with electronic devices.

Archer's technology development advances continue to provide direct evidence to support this exciting possibility.

Archer's Biochip

Archer's biochip is a unique graphene-based biotechnology that the Company is building to enable the complex detection of some of the world's most deadly communicable diseases.

The Company is currently focused on micro- and nano-fabrication of the biochip device components and combining these components with biologically relevant chemical reactions to detect diseases.

Archer's biochip design principles include the micro- and nano-fabrication of integrated sensing devices in regions of a chip that work alongside other fabricated functional regions on the same chip to process, detect and analyse biological specimens.

Archer owns 100% of the biochip technology intellectual property. During the year the Company filed two Australian provisional patent applications (No. 2022900845 and 2021903898) related to its biochip technology. The Company's existing patent applications progressed to the National Phase of the patent granting procedure and were filed in the US (No. 17429442) and Australia (2020220236).

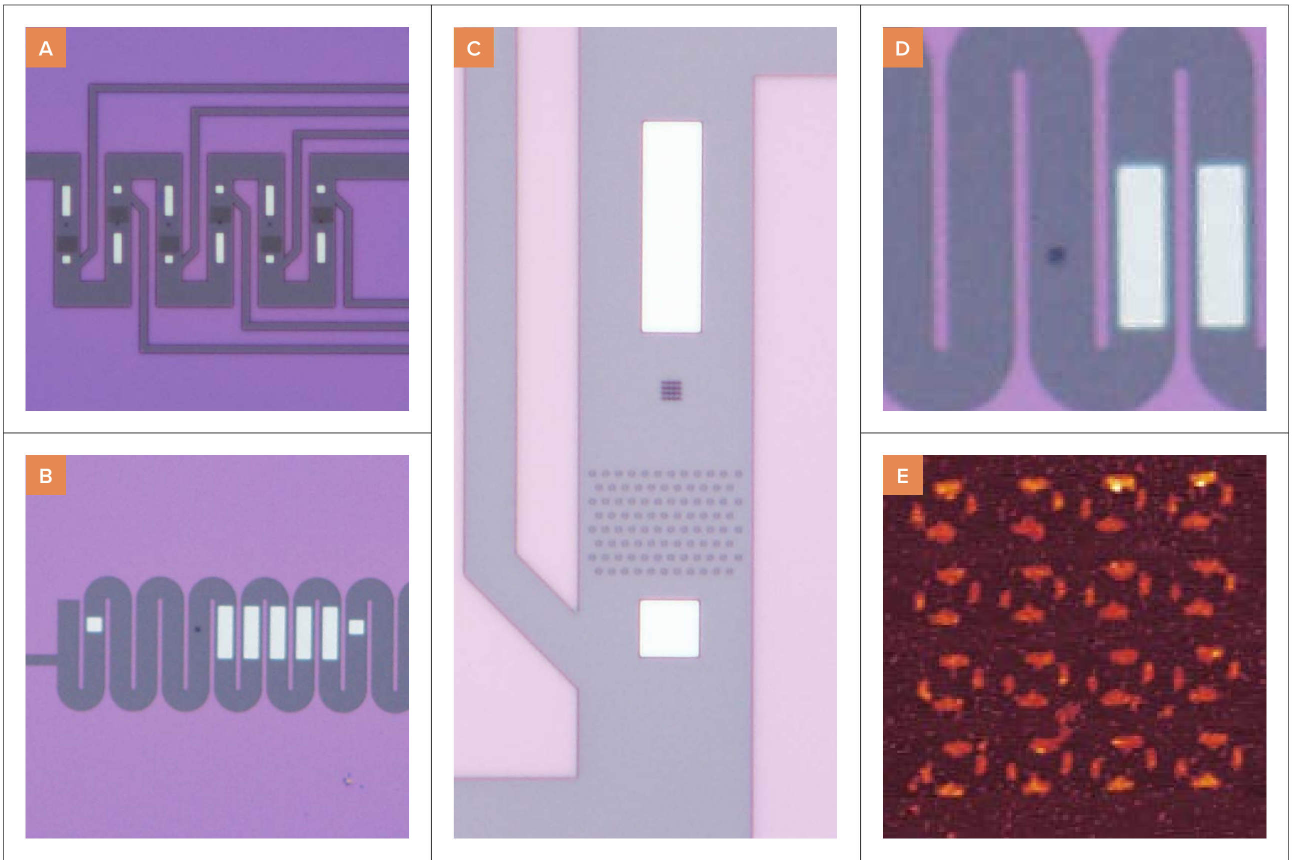
The biochip requires the advanced fabrication of features like hair-thin microfluidic channels that allow sample processing such as mixing, chemical or physical reactions. These channels also allow the transportation of samples to smaller built-in sensors for analysing biochemical targets, for example, of viruses or bacteria.

During the year, the Company successfully fabricated microfluidic channels required for the biochip and integrated sensor components and other features within them on a silicon wafer, demonstrating for first time the fabrication, miniaturisation, and integration of critical biochip components. This significant early-stage development at the micro- and nano-scale demonstrates the potential for increased compatibility with functions required for lab-on-a-chip biosensing, including for Archer's biochip.

The Company, in parallel to its nanofabrication progress, also successfully developed its first biochemical reactions for the detection and quantification of nucleic acid sequences (both DNA and RNA), for potential use and application at room temperature in its biochip technology. The nucleic acid sequences of interest could potentially be of viral, bacterial, or other microbial origin, which would allow for the development of Archer's biochip towards tailored on-chip pathogen detection.

Nucleic acid markers are useful for monitoring various states of health and disease; for the identification of pathogens and their strains; and the diagnosis of many diseases. Commonly known techniques to analyse biological samples for known nucleic acids include polymerase chain reaction (PCR). The techniques developed by Archer could potentially apply in conjunction with, or without, the use of PCR.

Archer's Biochip



Early-stage biochip assembly.

__A__ and __B__ are images of two different fabricated patterns of on-chip microfluidic channels shown in the darker shaded regions on the purple background. The microfluidic channels are approx. 3 times thinner than a human hair.

Additionally, features of __B__ which are magnified and shown as the tight continuous curves in __D__ and the magnified region of __A__ showing small nanometre square arrays of pillars (approx. 500 nanometres in height) present above the white square region magnified in __C__, would allow for mixing of sample.

The white squares and rectangle areas in __A__ and __B__ are pre- and post-sensing mixing stations and storage wells for chemical reactions. The pattern assemblies shown in __A__ and __B__ integrate electrode routing for 96 biosensing areas and are an unoptimised proof of concept.

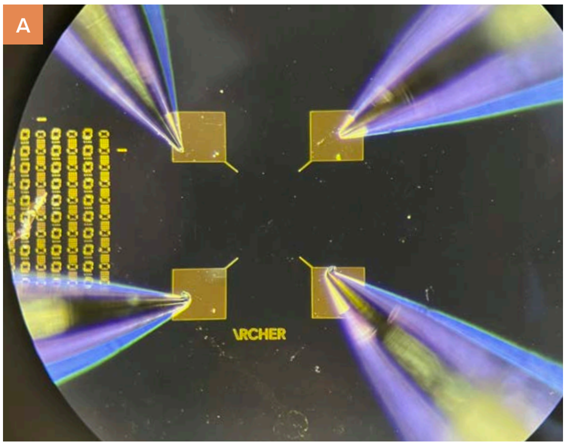
The image in __E__ shows a highly magnified area of the nanosized biosensing electrodes (approx. 100 nanometres in size) that can be seen in __C__ and __D__ as a 4 x 4 electrode array, which would allow for biosensing and are nanofabricated using various metals.

Archer's biochip development involves designing the sensing components in __E__ to incorporate graphene materials.

Archer's Biochip

During the year, Archer addressed key nanotech challenges in its biochip development by successfully integrating single atom-thick graphene on a silicon wafer and then measuring and confirming the electronic transport properties in the resulting integrated devices.

A



B

A - Magnified view of an isolated graphene device undergoing direct measurement of electron transport.

B - Graphene devices are fabricated and tested by Archer staff using highly specialised chip instrumentation in a semiconductor prototyping foundry.

The biochip requires graphene materials in electronic circuits (i.e. the micro- and nanofabrication of graphene-based transistors), that would form miniaturised devices that act as ultrasensitive sensors for detecting and analysing biochemical targets, for example, to identify viruses or bacteria.

The work represents a significant technical achievement as the advanced, post-integration semiconductor fabrication processes are complex, requiring the precision engineering of atomically thin graphene and devices to confirm the advantageous materials' properties, which are fundamental to the scalability, functionality, and operation of Archer's biochip.

The outcomes of the electronic transport measurements provided the necessary data and component level validation of the electronic parameters required to build graphene-based transistors integrated with silicon electronics.

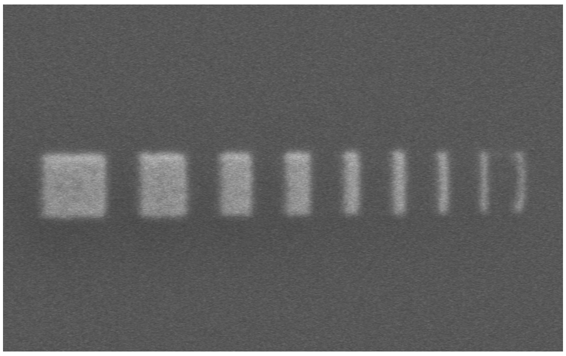
Subsequent to the reporting period, Archer successfully fabricated sub-10 nm features reproducibly and reliably in a major technology breakthrough for the Company, by developing and implementing several advanced lithographic processes. Archer has achieved miniaturisation from 200 nm down to sub-10 nm by developing several advanced lithography processes.

The work is a significant technical achievement as the advanced lithography semiconductor fabrication processes are complex, requiring precision engineering to reach lateral control over a feature size of sub-10 nm.

Miniaturisation of device components is an incremental process with each reduction in feature size requiring new and optimised lithography processes of increasing complexity. The extreme miniaturisation would give Archer greater flexibility and higher integration density in its lithographic processes for the design and fabrication of its technology.

Advanced lithography processes performed in a semiconductor foundry are required to fabricate and integrate various features as part of a nanoelectronic device and the work done by Archer to fabricate nanoscale biochip features is an important step in the potential future operation of Archer's biochip.

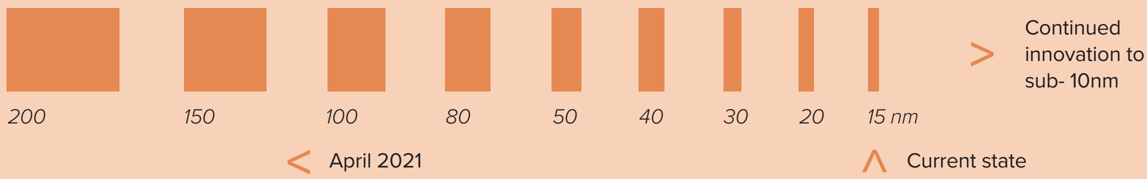
Archer's Biochip



During the year, Archer researchers gained access to additional advanced instrumentation for bioanalysis at Westmead Institute of Medical Research and are preparing for automated testing across other genomic analysis facilities in Sydney as part of the biochip development.

Automated testing will provide the Company with efficiency in its ‘big data’ collection, and complements the Company’s access to the Protein Production Facilities in Sydney. Archer also joined the NSW Health Cicada MedTech commercialisation program.

Microscopy image of feature sizes fabricated by Archer staff on a silicon substrate ranging from 200 nm to 15 nm in width using advanced lithography. Sub-10 nm fabrication was achieved after the end of the reporting period.



Mineral Exploration

At the start of the 2021/22 financial year Archer held 19 mineral exploration tenements, one exploration licence application, two miscellaneous purposes licenses and a mining lease.

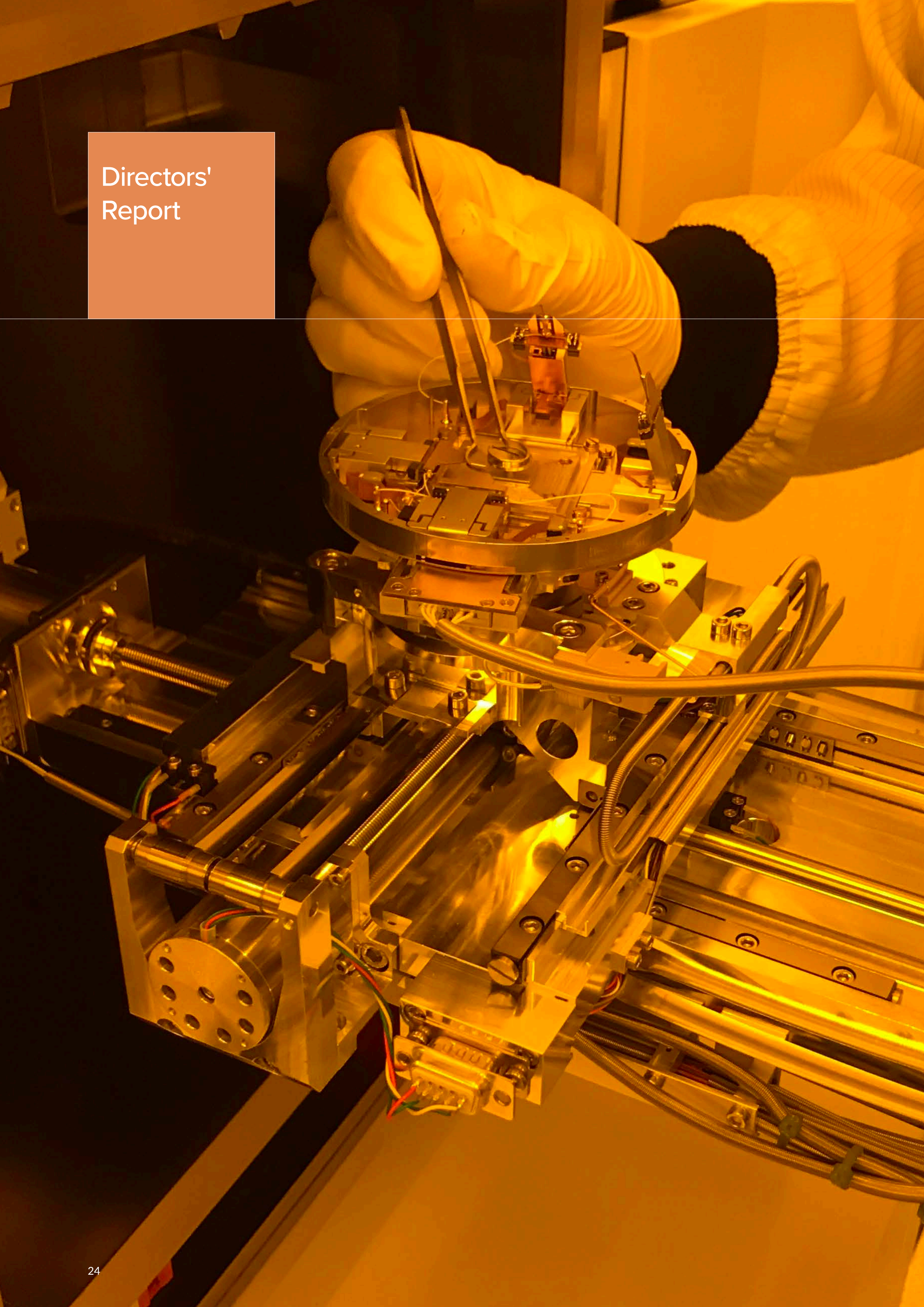
The tenements were prospective for different commodities including graphite, base metals, copper and gold. The mineral tenements and associated information, plant and equipment comprised the Company’s Mineral Exploration Business.

On 12 April 2021 the Company announced that it had sold the Mineral Exploration Business to iTech Minerals Ltd for 50 million shares in the capital of iTech. Completion of the sale and purchase was conditional on the satisfaction or waiver of certain conditions precedent, including Archer shareholder approval to the transaction and the in-specie distribution of the 50 million iTech shares and iTech completing an initial public offering and listing on the ASX.

At a general meeting held on 30 August 2021, Archer shareholders approved the sale of the Mineral Exploration Business to iTech and the pro-rata in-specie distribution of the 50 million iTech shares. iTech completed the initial public offering and was admitted to the ASX Official List of entities on 19 October 2021.

The Company did not undertake any mineral exploration activities during the year and does not hold any mineral tenements.

Directors' Report



The Operating and Financial Review (which includes the Chairman's Letter) of this Annual Report is incorporated by reference into, and can be found on pages 3 to 23 of this Annual Report.

Your Directors present this report on Archer Materials Limited and its consolidated entities ('Company', 'Group' or 'Archer'), for the year ended 30 June 2022.

Directors

The following Directors were in office at any time during or since the end of the financial year:

Greg English (Executive Chairman)

Kenneth Williams (Independent Non-Executive Director)

Bernadette Harkin (Independent Non-Executive Director) - *appointed 6 October 2021*

Alice McCleary (Independent Non-Executive Director) – *resigned 24 November 2021*

Chief Executive Officer

Dr Mohammad Choucair held the position of Chief Executive Officer during the financial year and as at the date of this report.

Company Secretary

Damien Connor held the position of Company Secretary during the financial year and as at the date of this report.

Information on continuing Directors

Greg English

Executive Chairman

LLB, BE (Mining)

Greg English is the co-founder and Executive Chairman of Archer. He has been Chairman of the board since 2008 and has overseen Archer's transition from a South Australian focused minerals exploration company to a technology company that operates within the semiconductor industry.

He has more than 25 years of engineering and legal experience and has held senior roles for Australian and multinational companies. Greg has received recognition for his work as a lawyer having been regularly recognised in The Best Lawyers® in Australia, Adelaide in the area of Commercial Law.

Greg is an experienced company director and has also served on the boards of other ASX listed companies. He holds a bachelor's degree in engineering and a law degree (LLB).

Directorships of other ASX Listed entities in the last 3 years:

Core Lithium Limited (ASX: CXO) (current), Neurizer Ltd (ASX: NRZ) [formerly Leigh Creek Energy Limited (ASX: LCK)] (resigned 22 June 2021).

Interest in Shares and Options:

8,997,618 ordinary shares. 5,000,000 unlisted options, exercisable at $0.1511 and expiring on 31 March 2023.

5,000,000 unlisted options, exercisable at $1.79 and expiring on 31 May 2025.

Special Responsibilities:

Executive Chairman.
Member, Audit & Risk Management Committee

Kenneth Williams

Non-Executive Director

B.Econ(HONS), MAppFin, FAICD

Ken was appointed as a Director of the Company on 28 September 2020. Ken has over 30 years' experience in corporate finance and has held senior executive, director, and Chair positions with leading ASX companies.

His extensive experience in corporate finance includes diverse experience in mergers, acquisitions, divestments and corporate reconstructions. Ken was the Independent Chairman of Statewide Superannuation Trust (Statewide Super), a South Australian based industry super fund with over $12 billion in funds under management.

He was a member of Statewide Super's Investment Committee, and Remuneration & Nomination Committee. In April 2022 Statewide Super merged with Hostplus. Ken is also a Director of Lifetime Support Authority of South Australia.

Prior roles include Chair of AWE Limited, Chair of Havilah Resources Limited, and Senior Finance Executive roles with Newmont Corporation, Normandy Mining, and Qantas.

Directorships of other ASX Listed entities in the last 3 years:

Barton Gold Holdings Limited (ASX: BGD), Havilah Resources Limited (ASX: HAV) (resigned 3 January 2019), Lanyon Investment Company Limited (ASX: LAN) [formerly 8IP Emerging Companies Limited (ASX: 8EC)] (resigned 10 May 2022).

Interest in Shares and Options:

Nil Shares. 1,500,000 unlisted options, exercisable at $0.7277 and expiring on 31 March 2024.

1,500,000 unlisted options, exercisable at $1.79 and expiring on 31 May 2025.

Special Responsibilities:

Chairman, Audit & Risk Management Committee.

Bernadette Harkin

Non-Executive Director

MBA, GAICD

Bernadette was appointed as a Director of the Company on 6 October 2021. Bernadette has over 20 years of experience working as a business technologist across strategy, sales, marketing, operations, and delivery for multinational Information Technology companies including IBM, Avanade, and CGI. This includes 3 years at IBM where Bernadette served as a board member for IBM Philippines. Bernadette's experience covers technology areas of Cloud, Analytics, Mobility, AI and Security. Bernadette's international experience spans leadership within large corporate governance structures and the start-up of new businesses.

Bernadette has led and held senior advisory roles involving business transformations for businesses in the US, Europe, and Asia, including those within the STEM sector, which have been underpinned by corporate growth strategies leveraging innovative technologies.

Directorships of other ASX Listed entities in the last 3 years:

Nil.

Interest in Shares and Options:

Nil Shares. 1,500,000 unlisted options, exercisable at $1.79 and expiring on 31 May 2025.

Special Responsibilities:

Member, Audit & Risk Management Committee.

Meetings of Directors

The number of meetings of the Company's Board of Directors and each Board committee held during the year ended 30 June 2022, and the numbers of meetings attended by each Director were as follows:

Director	Board of Directors		Audit & Risk Management Committee	
	A	B	A	B
Gregory English	12	12	3	3
Kenneth Williams	12	12	3	3
Bernadette Harkin [1]	7	7	1	1
Alice McCleary [2]	7	7	2	2

1 *Appointed on 6 October 2021*
2 *Resigned on 24 November 2021*

Where:

Column A is the number of meetings the Director was entitled to attend

Column B is the number of meetings the Director attended

As at the date of this report, the Group has not formed separate Remuneration or Governance Committees, as these matters are handled by the Board as a whole. The Board considers this appropriate given the size and nature of the Company at this time.

Information on continuing Management

Dr Mohammad Choucair

Chief Executive Officer

FRSN FRACI GAICD BSc Nanotechnology (Hon. 1), PhD (Chemistry)

Dr Mohammad Choucair was appointed CEO of Archer in December 2017 and is leading the company to develop disruptive deep tech that address complex global challenges.

Mohammad served a 2-year mandate at the World Economic Forum on the Global Council for Advanced Materials and is internationally recognised for his forward-thinking breakthroughs in Nanotechnology.

He received the Royal Australian Chemical Institute Cornforth Medal for the most outstanding Chemistry PhD in Australia and is the inventor of the ^{12}CQ quantum computing technology.

Mohammad is a Fellow of The Royal Society of New South Wales and The Royal Australian Chemical Institute, Alumni of the World Economic Forum, Alumni of the Australian Graduate School of Management, Graduate of the Australian Institute of Company Directors, and is an Honorary Fellow of the University of Sydney. He received his PhD in Chemistry and BSc in Nanotechnology with Honours Class 1 from UNSW Sydney.

Damien Connor

Chief Financial Officer / Company Secretary

CA GAICD AGIA B.Com

Damien Connor was appointed Company Secretary and Chief Financial Officer on 1 August 2014.

Damien is an experienced Company Secretary and CFO, with over 20 years finance and accounting experience including over 15 years in the mining and mineral exploration industry. Damien has been providing Company Secretary and CFO services to a number of ASX listed and unlisted entities since 2011.

Damien is a member of the Chartered Accountants of Australia and New Zealand (Chartered Accountant), an associate member of the Governance Institute of Australia (Chartered Secretary) and a Graduate of the Australian Institute of Company Directors.

Principal activites

Archer is a technology company with a focus on developing innovative deep tech in the semiconductor industry.

The Company is developing and working towards commercialising semiconductor devices including processor chips and sensors that are relevant to quantum computing and lab-on-a-chip medical diagnostics.

During the year, the principal activities of the Group were:

> Technology research and development of a quantum computing qubit processor chip ("^{12}CQ chip") and graphene-based lab-on-a-chip biosensing chip ("biochip").

> Utilising semiconductor development infrastructure and facilities, research and development, people and intellectual property, to support pre-market technology development.

> Internationally protecting and prosecuting intellectual property (e.g. patents and patent applications).

> Collaborating and partnering with organisations in computing, deep tech, and technology research and development, as part of global networks in the semiconductor industry.

> Sale of the Company's mineral exploration tenements.

Significant changes to the state of affairs.

Sale of subsidiaries to iTech Minerals Ltd

During the year ended 30 June 2022, the Company completed the sale of its remaining mineral exploration business to iTech (refer Note 18).

Following completion of the sale to iTech, the Company no longer owns any mineral exploration tenements and has changed its GICS code from 'Materials - Diversified Metals & Mining' to 'Information Technology - Semiconductors'.

The Company was added to the S&P/ASX All Technology Index effective before the opening of trading on 20 December 2021.

The Directors are not aware of any further significant changes in the state of affairs of the Group occurring during the year ended 30 June 2022, other than as disclosed in this report.

Events arising since the end of the reporting period.

> The Company acquired 2,892,780 quoted options in CMX ("ChemX Options"), being the Company's full entitlement pursuant to the CMX Entitlement Issue Prospectus dated 30 May 2022 (Loyalty Options Offer). ChemX Options are exercisable at $0.30 each and expire on 11 July 2025.
>
> ChemX Options were issued to the Company on 11 July 2022. The Company paid $0.005 each for the ChemX Options during the reporting period. Accordingly, an amount of $14,464 has been included as a prepayment within the Statement of Financial Position as at 30 June 2022.

> On 29 August 2022, 1,500,000 Options were issued to an employee of the Company. The Options were issued for nil consideration and are exercisable at $1.79 each on or before 31 May 2025.
>
> 50% of the Options vest on 31 May 2023 and 50% on 31 May 2024 (provided that the recipient is an employee of the Company at the date of vesting) and are governed by the terms and conditions of the Company's Performance Rights and Share Option Plan. The fair value of the options at the date of grant was $421,047.

> On 13 September 2022, 1,050,000 Options, exercisable at $1.79 each and expiring on 31 May 2025, lapsed unexercised, in accordance with the terms on which they were issued.

Remuneration Report (audited)

The Directors of Archer Materials Limited (the Group) present the Remuneration Report for Non-Executive Directors, Executive Directors and other Key Management Personnel, prepared in accordance with the Corporations Act 2001 and the Corporations Regulations 2001.

The names and roles of the Company's key management personnel during the year are:

> Greg English - Executive Chairman

> Kenneth Williams - Non-Executive Director

> Bernadette Harkin - Non-Executive Director (appointed 6 October 2021)

> Alice McCleary - Non-Executive Director (resigned 24 November 2021)

> Dr Mohammad Choucair - Chief Executive Officer

> Damien Connor - Chief Financial Officer & Company Secretary

The Remuneration Report is set out under the following main headings:

A. Principles used to determine the nature and amounts of remuneration

B. Details of remuneration

C. Employment Contracts of Directors and other Key Management Personnel

D. Share based remuneration

E. Bonuses included in remuneration

F. Other information

A. Principles used to determine the nature and amounts of remuneration

The Board acts as the remuneration committee as a consequence of the size of the Board and the Company. The Board believes that individual salary negotiation is more appropriate than formal remuneration policies and external advice and market comparisons are sought where necessary. The Company discloses the fees and remuneration paid to all Directors as required by the Corporations Act 2001. The Board recognises that the attraction of high calibre executives is critical to generating shareholder value.

The directors and executives receive a superannuation guarantee contribution required by the government of 10% per annum (10.5 % from 1 July 2022) and do not receive any other retirement benefits. Some individuals, however, may choose to sacrifice part of their salary to increase payments towards superannuation and/or elected to increase superannuation contributions a part of their salary package.

All remuneration paid to Directors and executives is valued at the cost to the Company. The Company has established a Performance Rights Plan and Share Option Plan ("Plan") for the benefit of Directors, officers, senior executives and consultants.

The Board's policy is to remunerate non-executive directors at the market rates for time, commitment and responsibilities. The Board determines payments to non-directors and reviews their remuneration annually, based on market price, duties and accountability. Independent external advice is sought when required.

The maximum aggregate amount of fees that can be paid to non-executive directors is $500,000 per annum which has not changed since Archer listed on the ASX in August 2007. These amounts are not linked to the financial performance of the consolidated Company. However, to align director's interests with shareholder interests, the directors are encouraged to hold shares in Archer.

Each member of the executive team has signed a formal contract at the time of their appointment covering a range of matters including their duties, rights, responsibilities and any entitlements on terminations. The standard contract sets out the specific formal job description.

Use of remuneration consultants

The Company has not engaged the services of a remuneration consultant during the year.

Voting and comments made at the Company's 2021 Annual General Meeting

The Company received 96% 'for' votes on its Remuneration Report for the financial year ending 30 June 2021.
The Company received no specific feedback on its Remuneration Report at the 2021 Annual General Meeting.

Consequences of performance on shareholder wealth

In considering the Group's performance and benefits for shareholder wealth, the Board has regard to the company's share price in respect of the current financial year and the previous four (4) financial years:

Item	30 June 2022	30 June 2021	30 June 2020	30 June 2019	30 June 2018
Share price	$0.55	$0.95	$0.60	$0.11	$0.11

B. Details of Remuneration

Details of the nature and amount of each element of the remuneration of each Key Management Personnel (KMP) of the Group are shown in the table below:

DIRECTORS AND OTHER KEY MANAGEMENT PERSONNEL

		Short-term Employee Benefits		Post employment Benefits	Termination Benefits	Share Based Payments		
Employee	Year	Cash Salary & Fees $	Cash Bonus $	Super-annuation $	Termination Benefits $	Unlisted Options[1] $	Total $	Performance based %
Executive Directors								
Mr English [2,3]	2022	304,110	50,685 [4]	35,732	-	2,067,573	2,458,100	2.3%
Executive Chairman Not independent	2021	337,900	50,685 [4]	37,169	-	-	425,754	13.1%
Non-Executive Directors								
Mr Williams	2022	63,636	-	6,364	-	620,272	690,272	-%
Independent	2021	48,929	-	4,648	-	404,250	457,827	-%
Ms Harkin [5]	2022	46,993	-	4,699	-	620,272	671,964	-%
Independent	2021	-	-	-	-	-	-	-%
Ms McCleary [6]	2022	25,551	-	2,555	-	-	28,106	-%
Independent	2021	63,927	-	6,073	-	-	70,000	-%
Mr Rix [7]	2022	-	-	-	-	-	-	-%
Independent	2021	21,309	-	2,024	-	-	23,333	-%
Other Key Management Personnel								
Dr Choucair	2022	230,000	46,000 [8]	27,830	-	2,481,087	2,784,917	1.8%
Chief Executive Officer	2021	230,000	57,239 [8]	27,574	-	-	314,813	19.9%
Mr Connor [9]	2022	174,243	-	-	-	620,272	794,515	-%
Company Secretary & CFO	2021	142,387	-	-	-	-	142,387	-%
2022 Total	**2022**	**844,533**	**96,685**	**77,180**	**-**	**6,409,476**	**7,427,874**	
2021 Total	**2021**	**844,452**	**107,924**	**77,488**	**-**	**404,250**	**1,434,114**	

1 In accordance with Accounting Standards, remuneration includes a portion of the value of the options granted during the year. The value of options are determined as at the issue date and is progressively allocated over the vesting period. The amount included as remuneration is not indicative of the benefit (if any) that the employee may ultimately realise should the option vest and become exercisable. The value of the options as at the grant date has been determined in accordance with the accounting policy detailed at Note 1 and calculation details in Note 17.

2 Mr English agreed to temporarily reduce his salary by 40% for the period from 1 April 2022 to 31 August 2022 while attending to other commitments.

3 In addition to cash salary, Piper Alderman Lawyers were paid $32,725 (2021: $53,099) during the year for services rendered to the Group. Mr English is a Consultant at Piper Alderman lawyers. The fees were at normal commercial rates.

4 Short-term cash bonus, approved by the non-executive directors, related to KPI achievement, pursuant to Mr English's employment contract.

5 Ms Harkin was appointed as a non-executive director on 6 October 2021.

6 Ms McCleary resigned as a non-executive director on 24 November 2021.

7 Mr Paul Rix resigned as a non-executive director on 20 October 2020.

8 Short-term cash bonus, approved by the Board, related to KPI achievement, pursuant to Dr Choucair's employment contract.

9 Contract payments are made to Damien Connor Consulting Pty Ltd – an entity associated with Damien Connor.

C. Employment Contracts of Directors and Other Key Management Personnel

Remuneration and other terms of employment for the Directors and other Key Management Personnel are formalised in either contracts of employment or service agreements. The main provisions of the agreements relating to remuneration are set out below:

Name	Remuneration	Unit of Measure	Term of agreement	Notice Period [1]
Greg English *(Executive Chairman)*	**Base remuneration:** $337,900 per annum plus superannuation. [1, 2] **Short-term incentive bonus:** Discretionary up to 15% of salary each year, is determined with reference to KPIs as set by the Board annually. **Long-term incentive bonus:** Entitled to receive Options or Performance Rights equal to the maximum number of Options or Performance Rights granted to a director of the Company in the same financial year, subject to shareholder approval and KPIs including the Company's share price compared with the ASX Small Ordinaries Resources Index	Salaried employee	Permanent employee, no fixed term.	Calculated based on reasons for termination from 4 weeks plus leave entitlements up to 12 months' salary plus leave entitlements.
Dr Mohammad Choucair *(Chief Executive Officer)*	**Base remuneration:** $230,000 per annum plus superannuation [2]. Effective 1 July 2022 [3] $300,000 per annum plus superannuation. **Short-term incentive bonus:** Discretionary up to 25% of salary each year, is determined with reference to KPIs as set by the Board annually. **Long-term incentive bonus:** Entitled to receive Options or Performance Rights equal to the maximum number of Options or Performance Rights granted to a director of the Company in the same financial year, subject to shareholder approval and KPIs including the Company's share Price compared with the ASX Small Ordinaries Resources Index	Salaried employee	Permanent employee, no fixed term.	Either party may terminate by providing 6 months' notice.
Damien Connor (*Company Secretary /CFO)*	Variable Services as required	Hourly rate contract	No fixed term.	Either party may terminate by providing 3 months' notice.

1 Mr English agreed to temporarily reduce his salary by 40% for the period from 1 April 2022 to 31 August 2022 while attending to other commitments.

2 Superannuation rate appliable to the year ended 30 June 2022 was 10% per annum. The superannuation rate will increase to 10.5% per annum from 1 July 2022.

3 The Board agreed to award Dr Choucair an increase in his annual salary, effective 1 July 2022, following a review of his remuneration with reference to his performance, responsibilities and strategic direction of the Company.

D. Share-based Remuneration

UNLISTED OPTIONS (OPTIONS)

All Options refer to Options over ordinary shares of the Company, which are exercisable on a one-for-one basis under the terms of the agreements.

The Group has established a Performance Rights and Share Option Plan for the benefit of Directors, officers, senior executives and consultants. Under the Performance Rights and Share Option Plan, the Company, through the Board, may offer Options to eligible persons on such terms that the Board considers appropriate, including any performance or other vesting hurdles that may apply.

Options granted to KMP during the reporting period

Details of Options convertible to ordinary shares in the Company that were granted as remuneration to each KMP during the year are set out below:

2022 Options	Number Granted	Grant Date	Exercise Price	Fair Value at Grant Date [1]		Vesting Criteria [3]	Expiry Date
Granted to				**$/option**	**Full value ($) [2]**		
Mr English	5,000,000	24/11/2021	$1.79	$0.7604	$3,802,018	Vest over 2 years commencing 31 May 2022.	31/05/2025
Mr Williams	1,500,000	24/11/2021	$1.79	$0.7604	$1,140,605	Vest over 2 years commencing 31 May 2022.	31/05/2025
Ms Harkin	1,500,000	24/11/2021	$1.79	$0.7604	$1,140,605	Vest over 2 years commencing 31 May 2022.	31/05/2025
Dr Choucair	6,000,000	24/11/2021	$1.79	$0.7604	$4,562,421	Vest over 2 years commencing 31 May 2022.	31/05/2025
Mr Connor	1,500,000	24/11/2021	$1.79	$0.7604	$1,140,605	Vest over 2 years commencing 31 May 2022.	31/05/2025
	15,500,000				**$11,786,254**		

1 The fair value of Options at grant date is determined using a Black Scholes option pricing model as disclosed in the notes to the financial statements.

2 The fair value of the Options at the date of grant was $11,786,254 and is being expensed to the Statement of Profit or Loss and Other Comprehensive Income over the vesting periods applicable to the Options. Accordingly, an amount of $6,409,476 has been expensed to the Statement of Profit or Loss and Other Comprehensive Income under share based payments expense for the year ended 30 June 2022.

3 Options vest 1/3rd on 31 May 2022, 1/3rd on 31 May 2023, 1/3rd on 31 May 2024, provided that the recipient is an employee of the Company at the relevant vesting date (service condition only).

The above 15,500,000 Options were issued following shareholder approval at the Company's Annual General Meeting held on 24 November 2021.

Details of Options convertible to ordinary shares in the Company that were granted as remuneration to each KMP during the prior year ended 30 June 2021 are set out below:

2021 Options	Number Granted	Grant Date	Exercise Price	Fair Value at Grant Date [1]		Vesting Criteria	Expiry Date
Granted to				**$/option**	**Full value ($)**		
Mr Williams	1,500,000	30/11/2020	$0.7695	$0.2695	$404,250	Vest on issue date	31/03/2024
	1,500,000				**$404,250**		

1 The fair value of Options at grant date is determined using a Black Scholes option pricing model as disclosed in the notes to the financial statements.

The Options issued to Mr Williams were approved by shareholders at the Company's Annual General Meeting held on 30 November 2020.

Options to KMP exercised during the reporting period

During the reporting period 100,000 Options exercisable at $0.1511 each and expiring on 31 March 2023, were exercised by KMP.

Options to KMP forfeited, cancelled or lapsed during the reporting period

No Options granted to KMP were forfeited, cancelled or lapsed during the reporting period.

PERFORMANCE RIGHTS (RIGHTS)

The Company's Performance Rights and Share Option Plan provides for the issue of Rights to Directors, employees and contractors of the Company and its associated body corporates.

All Rights issued under the Plan refer to Rights over ordinary shares of the Company, which are exercisable on a one-for-one basis under the terms of the agreements. Vesting of Rights is generally subject to the achievement particular performance conditions as determined by the Board.

There were no Rights issued during the reporting period and none are on issue at the reporting date.

SHARES

There were no shares issued as remuneration during year ended 30 June 2022 (30 June 2021: Nil).

E. Bonuses included in Remuneration

Details of the short-term incentive cash bonuses awarded as remuneration to each key management personnel, the percentage of the available bonus that was paid in the financial year, and the percentage that was forfeited because the person did not meet the performance criteria is set out below.

Employee	Included in remuneration ($)	Percentage vested during the year	Percentage forfeited during the year
Greg English [1] *Executive Chairman*	$56,007 (inclusive of Superannuation)	100%	0%
Dr Mohammad Choucair [2] *Chief Executive Officer*	$50,830 (inclusive of Superannuation)	80%	20%

1 Mr English's contract of employment provides for a discretionary cash bonus of up to 15% of his salary each year, determined with reference to KPIs set by the Board annually. The KPI's subject of the bonus payable for the financial year were determined with reference to satisfaction of performance targets relating to corporate strategy objectives, funding and stakeholder management.

2 Dr Choucair's contract of employment provides for a discretionary cash bonus of up to 25% of his salary each year, determined with reference to KPIs set by the Board annually. The KPI's subject of the bonus payable for the financial year were determined with reference to satisfaction of performance targets relating to key technical and corporate strategy objectives.

No other key management personnel were awarded short-term incentive cash bonuses as remuneration during the year ended 30 June 2022.

F. Other Information

Option Holdings of Key Management Personnel as at 30 June

The number of Options over ordinary shares in the Company held, directly, indirectly, or beneficially, by each specified Director and key management personnel, including their personally related entities as at reporting date, is as follows:

2022 Key Management Personnel	Held at 1 July 2021	Granted as Remuneration [1]	Exercised	Forfeited/ Lapsed/ Cancelled	Held at 30 June 2022	Vested and Exercisable at 30 June 2022
Mr English	5,000,000	5,000,000	-	-	10,000,000	6,666,667
Mr Williams	1,500,000	1,500,000	-	-	3,000,000	2,000,000
Ms Harkin [2]	-	1,500,000	-		1,500,000	500,000
Ms McCleary [3]	-	-	-	-	-	-
Dr Choucair	3,400,000	6,000,000	(100,000)	-	9,300,000	5,300,000
Mr Connor	1,000,000	1,500,000	-	-	2,500,000	1,500,000
Total	**10,900,000**	**15,500,000**	**(100,000)**	**-**	**26,300,000**	**15,966,667**

1 15,500,000 Options were granted to KMP following shareholder approval at the Company's Annual General Meeting held on 24 November 2021. Options were issued for nil consideration on 2 December 2021 and are exercisable at $1.79 each on or before 31 May 2025. The Options vest 1/3rd on 31 May 2022, 1/3rd on 31 May 2023, and 1/3rd on 31 May 2024 (provided that the recipient is an employee of the Company at the date of vesting) and are governed by the terms and conditions of the Company's Performance Rights and Share Option Plan. The fair value of the Options at the date of grant was $11,786,254 and is being expensed to the Statement of Profit or Loss and Other Comprehensive Income over the vesting periods applicable to the Options. Accordingly, an amount of $6,409,476 has been expensed to the Statement of Profit or Loss and Other Comprehensive Income under share based payments expense for the year ended 30 June 2022.

2 Ms Harkin was appointed on 6 October 2021.

3 Ms McCleary resigned on 24 November 2021.

Performance Rights Holdings of Key Management Personnel as at 30 June

There were no Rights to acquire shares in the Company held by KMP during the current or prior reporting periods.

Share Holdings of Key Management Personnel as at 30 June

The number of ordinary shares of Archer Materials Limited held, directly, indirectly, or beneficially, by each Director and key management personnel, including their personally related entities as at reporting date:

2022 Key Management Personnel	Held at 1 July 2021	Granted as Compensation	Options Exercised	Other Changes	Held at 30 June 2022
Mr English	8,997,618	-	-	-	8,997,618
Mr Williams	-	-	-	-	-
Ms Harkin	-	-	-	-	-
Ms McCleary [1]	3,870,761	-	-	(3,870,761)	-
Dr Choucair [2]	2,600,000	-	100,000	(100,000)	2,600,000
Mr Connor	467,500	-	-	-	467,500
Total	**15,935,879**	**-**	**100,000**	**(3,970,761)**	**12,065,118**

1 Ms McCleary resigned on 24 November 2021 and shares at that time have been noted in the above table as 'other changes'.

2 Dr Choucair sold 100,000 shares during the year on market.

Transactions with Key Management Personnel

Transactions with key management personnel and related parties as disclosed below are made on normal commercial terms and conditions and at market rates. Outstanding balances are unsecured and are repayable in cash.

Amounts paid or payable to key management personnel and related parties/entities:

Related Party	Relationship to Key Management Personnel/Director	Services Provided	2022 $	2021 $
Piper Alderman Lawyers	A business of which Greg English is a Consultant.	Legal advice	$32,725	$53,099
Damien Connor Consulting Pty Ltd	A business of which Damien Connor is a Director	Finance/Co. Secretary consulting fees	$174,243	$142,387

END OF AUDITED REMUNERATION REPORT

Unissued Shares Under Option

Unissued ordinary shares of Archer Materials Limited under option at the date of this report are:

Issued to	Issue Date	Grant Date	Number of Options Granted	Option Exercise Price	Expiry Date
Directors [1]	12/11/2019	30/10/2019	5,000,000	$0.1511 [2]	31/03/2023
CEO [1]	12/11/2019	25/01/2021	3,300,000	$0.1511 [2]	31/03/2023
Company Secretary [1]	12/11/2019	12/11/2019	1,000,000	$0.1511 [2]	31/03/2023
Director [1]	30/11/2020	30/11/2020	1,500,000	$0.7277 [2]	31/03/2024
Directors [1]	2/12/2021	24/11/2021	8,000,000	$1.79	31/05/2025
CEO [1]	2/12/2021	24/11/2021	6,000,000	$1.79	31/05/2025
Company Secretary [1]	2/12/2021	24/11/2021	1,500,000	$1.79	31/05/2025
Other Employees	2/12/2021	24/11/2021	7,500,000	$1.79	31/05/2025
Other Employee	29/8/2022	17/8/2022	1,500,000	$1.79	31/05/2025
			35,300,000		

1 Previously issued to members of key management personnel as remuneration.

2 Following the return of capital by way of pro-rata in-specie distribution of 50,000,000 iTech shares (refer Note 18), on 15 October 2021 the exercise price of outstanding Options at that time were adjusted in accordance with the ASX Listing rules. Options previously exercisable at $0.1929 were adjusted to be exercisable at $0.1511 each, and Options previously exercisable at $0.7695 were adjusted to be exercisable at $0.7277 each.

All unlisted Options are unlisted and exercisable into fully paid ordinary shares in the Company on a one for one basis. These Options do not entitle the holders to participate in any share issue of the Company.

Refer Note 17 for details of movement in Options during the reporting period. No Options over ordinary shares have been issued, forfeited, cancelled or lapsed since the end of the financial year.

Performance Rights (Rights)

There were no Rights on issue during the reporting period or as at the date of this report.

Environmental Issues

The Group's operations are subject to significant environmental regulations under the laws of the Commonwealth and/or State. No notice of any breach has been received and to the best of the Directors' knowledge no breach of any environmental regulations has occurred during the financial year or up to the date of this Annual Report.

Indemnity and insurance of officers

The Company's Constitution provides that the Company indemnifies, on a full indemnity basis and to the full extent permitted by law, officers of the Company for all losses or liabilities incurred by the person as an officer of the Company or a related body corporate. In conformity with the Constitution, the Company is party to Deeds of Indemnity in favour of each of the Directors referred to in this report who held office during the year.

The Company has paid premiums to insure each of the Directors, Officers and Consultants against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director or Executive of the company, other than conduct involving wilful breach of duty or a lack of good faith in relation to the company. The policy does not specify the individual premium for each officer covered and the amount paid is confidential. Since the end of the year the Company has paid, or agreed to pay, premiums in respect of such contracts for the year ending 30 June 2022.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial period, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial period, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Non-audit services

Details of the amounts paid or payable to the auditor for services provided during the financial year by the auditor are outlined in Note 6 to the financial statements. No non audit services were provided during the year.

Proceedings on behalf of the company

As far as the Directors' are aware, no person has applied to the Court for leave to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Corporate Governance

The Board has adopted the ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations – 4th Edition" (ASX Recommendations). The Board continually monitors and reviews its existing and required policies, charters and procedures with a view to ensuring its compliance with the ASX Recommendations to the extent deemed appropriate for the size of the Company and the status of its projects and activities. Good corporate governance practices are also supported by the ongoing activities of the Audit & Risk Management Committee.

The Company's Corporate Governance Statement for the financial year ending 30 June 2022 is dated as at 30 June 2022 and was approved by the Board on 21st September 2022.

The Corporate Governance Statement provides a summary of the Company's ongoing corporate governance practices in accordance with the ASX Recommendations. The Corporate Governance Statement is supported by a number of policies, procedures, code of conduct and formal charters, all of which are located in the Corporate Governance section of the Company's website: www.archerx.com.au.

Auditor's Declaration

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 38 and forms part of the director's report for the financial year ended 30 June 2022.

This report is signed in accordance with a resolution of the Board of Directors.

Gregory English

Chairman

Adelaide

Dated this 21st day of September 2022

Auditor's Independence Declaration

GrantThornton

Grant Thornton Audit Pty Ltd
Grant Thornton House
Level 3
170 Frome Street
Adelaide SA 5000
GPO Box 1270
Adelaide SA 5001

T +61 8 8372 6666

Auditor's Independence Declaration

To the Directors of Archer Materials Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Archer Materials Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit

Grant Thornton

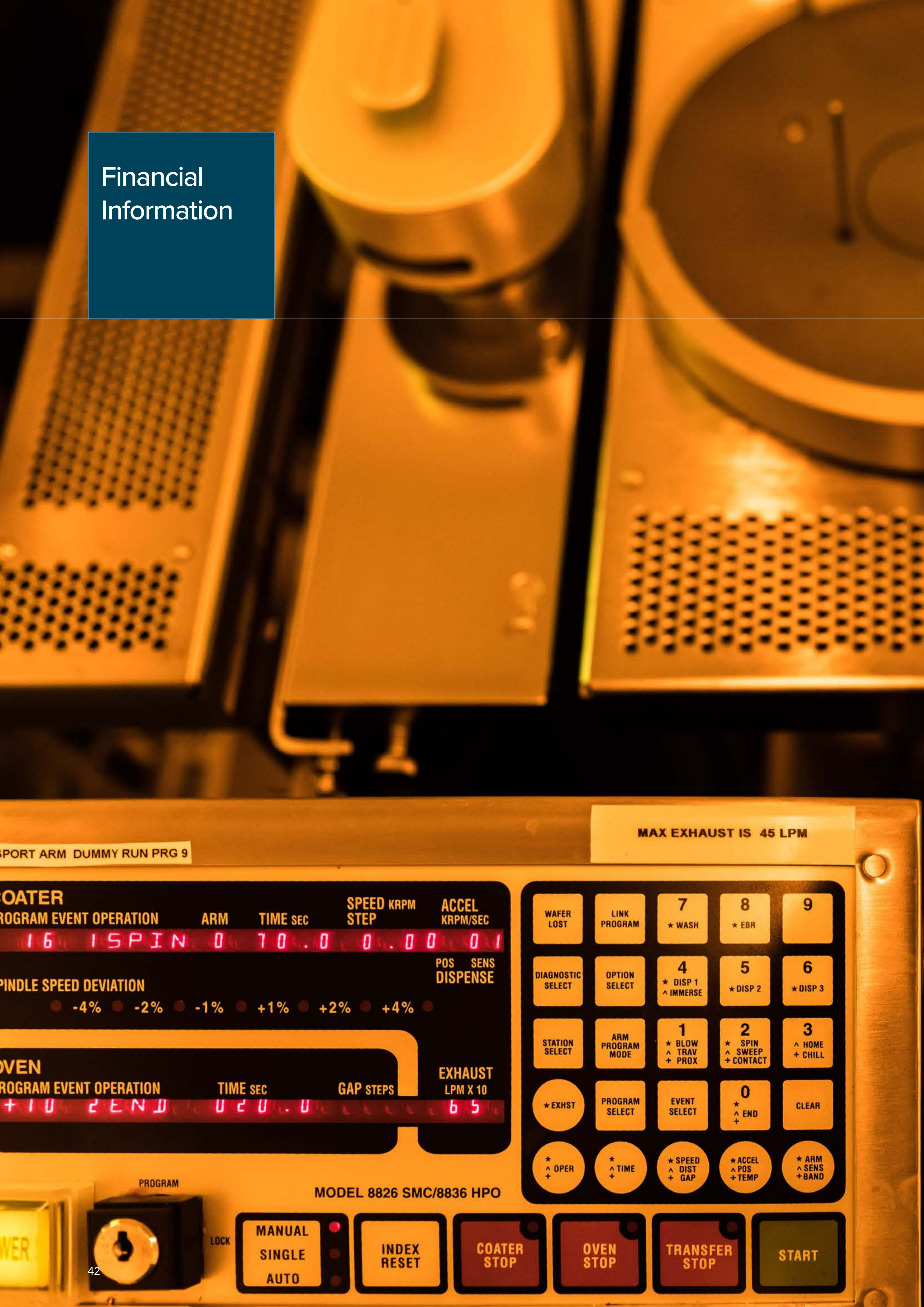
GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

J L Humphrey
Partner – Audit & Assurance

Adelaide, 21 September 2022

www.grantthornton.com.au
ACN-130 913 594

Financial Information




TRACK 2A
OVEN
PROGRAM EVENT OPERATION
TIME SEC
GAP STEPS
WAFER LOST
LINK PROGRAM
DIAGNOSTIC SELECT
OPTION SELECT
F1
F2
1 PROX
2 CONTACT
3 CHILL
STATION SELECT
PROGRAM SELECT
EVENT SELECT
0 END
CLEAR
OPER
TIME
GAP
TEMP
BAND
PROGRAM-
MODEL 8836 HPO
POWER
MANUAL
SINGLE
AUTO
INDEX RESET
OVEN STOP
TRANSFER STOP
START

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE

	Notes	CONSOLIDATED GROUP 2022 $	2021 $
REVENUE			
Revenue from ordinary activities		-	-
Research and development tax concession		973,000	467,662
Other income	3	650,472	1,720,159
		1,623,472	**2,187,821**
EXPENSES			
Depreciation expense		(37,829)	(26,244)
Amortisation of intangibles	11	(12,577)	(6,054)
Advanced materials research expenses		(2,259,068)	(974,024)
Employee benefits expense		(1,081,234)	(1,170,093)
Share based payments expense	17	(9,945,024)	(404,250)
Fair value loss on financial assets	9	(1,448,062)	(1,796,488)
Corporate consultants/public relations expense		(131,026)	(86,409)
ASX listing and share registry expense		(345,000)	(174,099)
Other expenses		(412,157)	(357,071)
LOSS BEFORE INCOME TAX EXPENSE		**(14,048,505)**	**(2,806,911)**
Income tax expense		-	-
LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS		**(14,048,505)**	**(2,806,911)**
DISCONTINUED OPERATIONS			
Loss after income tax for the period from discontinued operations	18	(67,223)	(3,786,351)
LOSS ATTRIBUTED TO MEMBERS OF THE PARENT ENTITY		**(14,115,728)**	**(6,593,262)**
Other comprehensive income		-	-
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT ENTITY		**(14,115,728)**	**(6,593,262)**
		Cents	Cents
Loss per share Basic and diluted loss for the year per share	15	(5.84)	(2.93)
Loss per share for continuing operations Basic and diluted loss for the year per share	15	(5.81)	(1.25)

The accompanying notes form part of the financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE

		CONSOLIDATED GROUP	
	Notes	2022 $	2021 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	26,463,687	6,239,099
Trade and other receivables	8	1,094,018	497,738
Other financial assets	9	1,708,806	2,692,644
Other current assets - prepayments		583,713	18,986
		29,850,224	9,448,467
Assets of disposal groups classified as held for sale	18	-	10,018,006
TOTAL CURRENT ASSETS		**29,850,224**	**19,466,473**
NON-CURRENT ASSETS			
Intangible assets	11	248,340	140,208
Property, plant and equipment		47,220	55,589
Right of use asset – office lease		19,750	30,090
TOTAL NON- CURRENT ASSETS		**315,310**	**225,887**
TOTAL ASSETS		**30,165,534**	**19,692,360**
CURRENT LIABILITIES			
Trade and other payables	12	348,759	249,471
Lease liability		10,652	10,341
Employee entitlements	13	336,403	296,024
		695,814	555,836
Liabilities of disposal groups classified as held for sale	18	-	85,894
TOTAL CURRENT LIABILITIES		**695,814**	**641,730**
NON-CURRENT LIABILITIES			
Lease liability		9,097	19,749
Employee entitlements	13	41,322	71,228
TOTAL NON-CURRENT LIABILITIES		**50,419**	**90,977**
TOTAL LIABILITIES		**746,233**	**732,707**
NET ASSETS		**29,419,301**	**18,959,653**
EQUITY			
Issued capital	14	47,723,569	33,093,217
Reserves	16	10,893,334	1,388,813
Accumulated losses		(29,197,602)	(15,522,377)
TOTAL EQUITY		**29,419,301**	**18,959,653**

The accompanying notes form part of the financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE

	Issued Capital $	Retained Earnings $	Share Based Payments Reserve $	Acquisition Reserve $	Total $
BALANCE AT 1 JULY 2020	**32,485,250**	**(9,181,552)**	**997,000**	**240,000**	**24,540,698**
Expense associated with unlisted option vesting during the period	-	-	404,250	-	404,250
Shares issued during the year (net of costs)	607,967	-	-	-	607,967
Transfer of share- based payments reserve to retained earnings	-	252,437	(252,437)	-	-
Transactions with owners	**33,093,217**	**(8,929,115)**	**1,148,813**	**240,000**	**25,552,915**
Total loss for the year	-	(6,593,262)	-	-	(6,593,262)
Other comprehensive income	-	-	-	-	-
BALANCE AT 30 JUNE 2021	**33,093,217**	**(15,522,377)**	**1,148,813**	**240,000**	**18,959,653**

	Issued Capital $	Retained Earnings $	Share Based Payments Reserve $	Acquisition Reserve $	Total $
BALANCE AT 1 JULY 2021	**33,093,217**	**(15,522,377)**	**1,148,813**	**240,000**	**18,959,653**
Expense associated with unlisted option vesting during the period (refer Note 17)	-	-	9,945,024	-	9,945,024
Shares issued during the year - net of costs (refer Note 14)	24,630,352	-	-	-	24,630,352
Return of capital - by way of a pro-rata in-specie distribution of iTech shares to Archer shareholders (refer Note 18)	(10,000,000)	-	-	-	(10,000,000)
Transfer of share- based payments reserve to retained earnings	-	200,503	(200,503)	-	-
Transactions with owners	**47,723,569**	**(15,321,874)**	**10,893,334**	**240,000**	**43,535,029**
Transfer of acquisition reserve from prior periods to retained earnings	-	240,000	-	(240,000)	-
Total loss for the year	-	(14,115,728)	-	-	(14,115,728)
Other comprehensive income	-	-	-	-	-
BALANCE AT 30 JUNE 2022	**47,723,569**	**(29,197,602)**	**10,893,334**	**-**	**29,419,301**

The accompanying notes form part of the financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE

	Notes	CONSOLIDATED GROUP 2022 $	2021 $
CASH FLOW FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(2,438,381)	(1,569,847)
Payments for advanced materials research		(2,259,068)	(974,024)
Interest received		12,915	10,225
Research and development tax concession received		464,051	238,859
Innovation grant received		25,000	47,129
Services Income		30,000	-
Commonwealth Government COVID Stimulus		-	50,000
NET CASH USED IN OPERATING ACTIVITIES	19	**(4,165,483)**	**(2,197,658)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for intellectual property		(120,709)	(56,275)
Payments for property, plant and equipment		(19,120)	(40,801)
Proceeds from the sale of property, plant and equipment		45,000	-
Payment received from the sale of non-current assets		-	150,000
NET CASH PROVIDED (USED IN) / BY IN INVESTING ACTIVITIES		**(94,829)**	**52,924**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	14	25,620,352	607,967
Payments for costs of capital raised	14	(990,000)	-
Payment of lease liability		(10,341)	(1,750)
NET CASH PROVIDED BY FINANCING ACTIVITIES		**24,620,011**	**606,217**
CASH FLOWS USED IN DISCONTINUED OPERATIONS	18	**(135,111)**	**(337,066)**
Net increase / (decrease) in cash held		20,224,588	(1,875,583)
Cash at the beginning of the year		6,239,099	8,114,682
CASH AT THE END OF THE FINANCIAL YEAR	7	**26,463,687**	**6,239,099**

The accompanying notes form part of the financial statements.

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

Archer Materials Limited is a for profit entity for the purposes of preparing the financial statements. The financial report has been presented in Australian dollars.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

Principles of Consolidation

The parent entity controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. A list of controlled entities is contained in Note 10 to the financial statements.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the consolidated group during the year, their operating results have been included/(excluded) from the date control was obtained/(ceased).

All inter-group balances and transactions between entities in the consolidated group, including any recognised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed, where necessary, to ensure consistency with those adopted by the parent entity.

Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

> Represents a separate major line of business or geographical area of operations;

> Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or

> Is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

Additional disclosures are provided in Note 18 and Note 20. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which if applicable, will be shown within borrowings in current liabilities on the Statement of Financial Position.

Property, plant and equipment

Property, plant and equipment is carried at cost less where applicable, any accumulated depreciation and impairment losses.

The carrying amount of property, plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit or Loss during the financial period in which are they are incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the consolidated entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Non-Current Asset	Depreciation Rate	Basis of Depreciation
Plant and Equipment	10 – 33%	Straight Line

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Profit or Loss.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with finite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Research and development costs

Research costs are expensed as incurred and included in the statement of profit or loss as research and development costs. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

> The technical feasibility of completing the intangible asset so that the asset will be available for use or sale

> Its intention to complete and its ability and intention to use or sell the asset

> How the asset will generate future economic benefits

> The availability of resources to complete the asset

> The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation is recorded in cost of sales. During the period of development, the asset is tested for impairment annually.

Patents and licences

The Group has made payments in respect of patents and licences and also pays for on-going patent prosecution costs. The Licences have been granted for patents which are undergoing prosecution by the relevant government agencies and the Company also owns a patent undergoing prosecution.

Patents have a life of up to 20 years and are assessed on a case by case basis. Licences for the use of intellectual property are granted for periods ranging between three and five years depending on the specific licences. The licences require an annual fee to be paid to continue to access the licenses. As a result, those licences are assessed as having an indefinite useful life.

A summary of the policies applied to the Group's intangible assets is, as follows:

	Licences	Patents
Useful lives	Finite (5 years)	Finite (20 years)
Amortisation method used	Amortised on a straight-line basis over the period of the licence	Amortised on a straight-line basis over the period of the patent
Internally generated or acquired	Acquired	Acquired

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year/period and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits that are expected to be settled wholly within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for these benefits. Those cashflows are discounted using market yields on high quality corporation bonds with terms to maturity that match the expected timing of cashflows.

Share-based Payments

Equity-settled transactions

The Company provides benefits to employees (including directors) in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions').

The Company currently provides benefits under a Performance Rights and Share Option Plan.

The cost of these equity-settled transactions with employees and directors is measured by reference to the fair value at the date at which they are granted.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company ('market conditions'). The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date').

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects:

i) the extent to which the vesting period has expired; and

ii) the number of awards that, in the opinion of the directors, will ultimately vest. This opinion is formed based on the best available information at reporting date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding Options and Rights is reflected as additional share dilution in the computation of earnings per share.

Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or Options are shown in equity as a deduction, net of tax, from the proceeds.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the asset

ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Financial Instruments - initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under AASB 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

> Financial assets at amortised cost (debt instruments)

> Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)

> Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

> Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

> The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

> The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

> The rights to receive cash flows from the asset have expired; or

> The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised as other income in the statement of profit or loss when the right of payment has been established.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Impairment of non-financial assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Profit or Loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Income Tax

The income tax expense/(revenue) for the year comprises current income tax expense/(income) and deferred tax expense/(income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities/(assets) are therefore measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses. Current and deferred income tax expense/(income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset recognised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Tax Consolidation

Archer Materials Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under tax consolidation legislation. The Group notified the Australian Tax Office that it had formed an income tax consolidated group to apply from 1 July 2007.

Research and Development Tax Concession

To the extent that research and development costs are eligible activities under the “Research and development tax incentive” programme, a refundable tax offset is available for companies with annual turnover of less than $20 million. The Group recognises refundable tax offsets received in the financial year as R&D tax concession income in statement of profit or loss, resulting from the monetisation of available tax losses that otherwise would have been carried forward. These amounts are recognised at their fair value only to the extent that where there is reasonable assurance that the incentive will be received.

Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the Australian Tax Office is included in other receivables or other payables in the statement of financial position.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the Australian Tax Office.

Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data obtained both externally and within the Group.

Key estimates

(i) Impairment

The Company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using fair value less cost of disposal calculations which incorporate various key assumptions.

(ii) Research and development (R&D) tax concession

The Group is entitled to claim R&D tax incentives in Australia. The R&D tax incentive is calculated using the estimated expenditures multiplied by a 43.5% non-refundable tax offset. It has been established that the conditions of the R&D incentive have been met and that the expected amount of the incentive can be reliably measured. Estimated amounts receivable are recognised as income.

Comparative Figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation of the current financial year.

Adoption of New and Revised Accounting Standards

At the date of authorisation of these financial statements, several new Standards and amendments to existing Standards, and Interpretations have been published by the AASB.

Management have adopted all relevant pronouncements, as applicable, for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Group's financial statements.

The financial report was authorised for issue on 21st September 2022 by the Board of Directors.

NOTE 2 – OPERATING SEGMENTS

The Directors have considered the requirements of AASB 8 - Operating segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources have concluded at this time there are no separately identifiable segments. The Group operates in one segment being materials technology research and development. As detailed elsewhere in this report, during the year ended 30 June 2022, the Company completed the sale of its mineral exploration business to iTech Minerals Ltd and undertook a pro-rata in-specie distribution of 50,000,000 iTech shares to Archer shareholders (being distribution of the consideration shares received by Archer for the sale to iTech) (refer Note 18).

NOTE 3 – OTHER INCOME	CONSOLIDATED GROUP	
	30 JUNE 2022 $	30 JUNE 2021 $
Interest income	86,248	11,293
Gain on sale of plant and equipment	45,000	-
Consulting services income	30,000	-
Gain on sale of non-current assets – sale to ChemX Materials Ltd (refer Note 20)	464,224	1,661,737
Commonwealth innovation grant	25,000	47,129
Total income	**650,472**	**1,720,159**

NOTE 4 – INCOME TAX BENEFIT / (LOSS)	30 JUNE 2022 $	30 JUNE 2021 $
a) The components of income tax benefit comprise:		
Current tax	-	-
b) The prima facie tax on loss from before income tax is reconciled to the income tax as follows:		
25% (2021: 26%):		
Net loss from continuing operations	(14,048,505)	(2,806,911)
Net loss from discontinued operations	(67,223)	(3,786,351)
Total loss from continued and discontinued operations	**(14,115,728)**	**(6,593,262)**
Income tax rate	25%	26%
Prima facie tax benefit on loss before income tax	(3,528,932)	(1,714,248)
Non-deductible expenses / (non-assessable income)	2,486,256	(140,298)
Tax effect of temporary differences not brought to account as they do not meet the recognition criteria	1,042,676	1,854,546
Income tax attributable to loss from continued and discontinued operations	-	-
c) Unused tax losses where no deferred tax asset has been recognised at 25% (2021: 26%)	5,524,165	7,793,904
d) Timing difference for which no deferred tax asset has been recognised	68,071	-

NOTE 5 – KEY MANAGEMENT PERSONNEL COMPENSATION

a) Names and positions held of consolidated entity key management personnel in office at any time during the financial year are:

Mr Greg English	Chairman – Executive	
Mr Kenneth Williams	Director – Non-executive	
Ms Bernadette Harkin	Director – Non-executive	*(appointed 6 October 2021)*
Ms Alice McCleary	Director – Non-executive	*(resigned 24 November 2021)*
Dr Mohammad Choucair	Chief Executive Officer	
Mr Damien Connor	Chief Financial Officer & Company Secretary	

Other than the directors and officers of the company listed above, there are no additional key management personnel.

b) Key Management Personnel Compensation

Refer to the Remuneration Report for details of the remuneration paid or payable to each member of the Group's Key Management Personnel (KMP).

The aggregate remuneration of KMP of the Group during the year is as follows:

	30 JUNE 2022 $	30 JUNE 2021 $
Short term benefits	941,218	952,376
Post-employment benefit	77,180	77,488
Share - based payments	6,409,476	404,250
	7,427,874	1,434,114

NOTE 6 – AUDITOR REMUNERATION Total fees paid or payable for services provided by Grant Thornton Audit Pty Ltd and its related practices were as follows:	30 JUNE 2022 $	30 JUNE 2021 $
Audit Services		
Audit and review of Financial Reports	53,000	43,850

No non audit services were provided.

NOTE 7 – CASH AND CASH EQUIVALENTS	30 JUNE 2022 $	30 JUNE 2021 $
Short term deposits	25,045,145	1,081,618
Cash at bank and on hand	1,418,542	5,157,481
	26,463,687	6,239,099

Short term bank deposits are at call within 30 days' notice.
The Group's exposure to interest rate risk is summarised at Note 23.

NOTE 8 – TRADE AND OTHER RECEIVABLES	30 JUNE 2022 $	30 JUNE 2021 $
Research and development tax receivable	973,000	467,662
Accrued interest	80,906	7,573
Other receivables	40,112	22,503
	1,094,018	497,738

NOTE 9 – OTHER FINANCIAL ASSETS	30 JUNE 2022 $	30 JUNE 2021 $
Financial assets at fair value through profit or loss	146,705	842,644
- Listed Investment in Volatus Capital Corp ("Volatus")	1,562,101	1,850,000
- Listed Investment in ChemX Materials Ltd ("ChemX")	1,708,806	2,692,644
Reconciliation		
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:		
Opening fair value	2,692,644	-
Additions – consideration received Volatus	-	2,639,132
Additions – consideration received ChemX [1, 2]	464,224	1,850,000
Change in fair value	(1,448,062)	(1,796,488)
Closing fair value	1,708,806	2,692,644

1 Archer was issued 2,321,119 shares in ChemX on 31 December 2021 as additional consideration equal to 5% of the enterprise value of ChemX at the time of ASX listing (unable to be quantified at the date of sale), pursuant to the sale agreement between the Company and ChemX for the sale of the mineral exploration licences EL 5815 (Waddikee) and EL 5920 (Carappee Hill). As at 30 June 2022, Archer holds a total of 11,571,119 shares in ChemX, which are being held in escrow until 18 January 2024, being 24 months from the date of commencement of Official Quotation of ChemX shares on ASX.

2 ChemX Materials Limited commenced ASX quotation on 18 January 2022. The issue price of ChemX shares under the replacement prospectus dated 26 November 2021 was $0.20 per share.

All financial assets designated at fair value through profit or loss utilise level 1.

Fair value hierarchy

AASB 13 requires disclosure of fair value measurements by level of the fair value hierarchy, as follows:

> Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

> Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

> Level 3: inputs for the asset or liability that is not based on observable market data (unobservable inputs)

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

The fair value of listed investments (publicly traded equity securities) are based on quoted market prices at the end of the reporting period (Level 1). The fair value of unlisted investments has been valued with reference to unobservable market data (Level 3).

NOTE 10 – INVESTMENT IN CONTROLLED ENTITIES	Country of Incorporation	PERCENTAGE OWNED 30 JUNE 2022 %	PERCENTAGE OWNED 30 JUNE 2021 %
Parent Entity			
- Archer Materials Limited	*Australia*		
Subsidiaries of Archer Materials Limited:			
- Carbon Allotropes Pty Limited	*Australia*	100	100
- Archer Energy and Resources Pty Ltd	*Australia*	100	100
- Archer Metals Pty Ltd	*Australia*	100	100
- Archer IOCG Pty Ltd	*Australia*	100	100
- Pirie Resources Pty Ltd [1]	*Australia*	-	100
- Archer Pastoral Company Pty Ltd [1]	*Australia*	-	100
- SA Exploration Pty Ltd [1]	*Australia*	-	100

1 During the reporting period, the Company completed the sale of its mineral exploration business to iTech Minerals Ltd ("iTech"). Under the sale agreement with iTech (the "Transaction"), Archer agreed to sell its mineral exploration business (being the sale of Pirie Resources Pty Ltd, Archer Pastoral Company Pty Ltd and SA Exploration Pty Ltd) to iTech, in return for 50 million iTech shares ("iTech Shares"). Archer distributed the iTech Shares in-specie to Archer shareholders (the "In-Specie Distribution"). The Transaction and In-Specie Distribution were both approved by Archer shareholders at a general meeting held on 30 August 2021. Refer Note 18 for further details regarding the sale to iTech.

NOTE 11 – INTANGIBLE ASSETS	30 JUNE 2022 $	30 JUNE 2021 $
Patents, licences and trademarks - at cost	273,275	152,567
Accumulated amortisation	(24,935)	(12,359)
	248,340	**140,208**
Movements in carrying amounts:		
Balance at the beginning of the period	140,208	89,987
Additions	120,709	56,275
Amortisation	(12,577)	(6,054)
Balance at the end of the period	**248,340**	**140,208**

NOTE 12 – TRADE AND OTHER PAYABLES	30 JUNE 2022 $	30 JUNE 2021 $
Trade payables	104,894	84,023
Other creditors and accruals	243,865	165,448
	348,759	249,471

NOTE 13 – EMPLOYEE ENTITLEMENTS	30 JUNE 2022 $	30 JUNE 2021 $
Current – leave entitlements and bonus provisions	336,403	296,024
Non-current - long service leave	41,322	71,228
	377,725	367,252

NOTE 14 – ISSUED CAPITAL	CONSOLIDATED GROUP	
	30 JUNE 2022 $	30 JUNE 2021 $
248,467,207 (2021: 227,506,546) fully paid ordinary shares	47,723,569	33,093,217

a) Shares on issue 30 June 2022	Number	$
Movements in fully paid shares		
Balance as at 1 July 2021	227,506,546	33,093,217
Shares issued - exercise of Options (16 July 2021)	200,000	38,580
Shares issued - placement (net of costs) (8 October 2021)	10,344,828	15,000,000
Shares issued - exercise of Options (8 October 2021)	1,200,000	231,480
Return of Capital - in-specie distribution [1]	N/A	(10,000,000)
Shares issued - share purchase plan (27 October 2021)	6,897,556	10,000,000
Shares issued - exercise of Options (2 November 2021) [2]	1,318,277	199,192
Shares issued - exercise of Options (29 November 2021) [2]	100,000	15,110
Shares issued - exercise of Options (20 April 2022) [2]	300,000	45,330
Shares issued - exercise of Options (27 May 2022) [2]	600,000	90,660
Transaction costs of shares issued	N/A	(990,000)
Balance as at 30 June 2022	248,467,207	47,723,569

1 The value of the capital reduction effected by way of in-specie distribution of 50,000,000 shares in iTech Minerals Ltd ('iTech') to Archer shareholders on 15 October 2021. The 50,000,000 shares in iTech were issued at $0.20 per share as consideration for the sale of the Company's remaining mineral exploration business to iTech. Refer to Note 18 for further details regarding the sale to iTech and pro-rata in-specie distribution of iTech shares to Archer shareholders.

2 Following the return of capital by way of pro-rata in-specie distribution of 50,000,000 iTech shares (refer Note 18), on 15 October 2021 the exercise price of outstanding Options were adjusted in accordance with the ASX Listing rules. Options previously exercisable at $0.1929 were adjusted to be exercisable at $0.1511 each, and Options previously exercisable at $0.7695 were adjusted to be exercisable at $0.7277 each.

Shares on issue 30 June 2021	Number	$
Movements in fully paid shares		
Balance as at 1 July 2020	224,354,823	32,485,250
Shares issued - exercise of Options (18 September 2020)	300,000	57,870
Shares issued - exercise of Options (16 October 2020)	181,723	35,054
Shares issued - exercise of Options (11 December 2020)	300,000	57,870
Shares issued - exercise of Options (29 January 2021)	500,000	96,450
Shares issued - exercise of Options (19 February 2021)	300,000	57,870
Shares issued - exercise of Options (19 March 2021)	100,000	19,290
Shares issued - exercise of Options (17 June 2021)	1,470,000	283,563
Balance as at 30 June 2021	227,506,546	33,093,217

NOTE 14 – ISSUED CAPITAL (CONTINUED)

(b) Options on issue

All options on issue are unlisted options (Options). Details of the Options outstanding as at the end of the year are set out below:

Issued to	Issue Date	Grant Date	Number of Options Granted	Option Exercise Price	Expiry Date	Balance at 30 June 2022	Balance at 30 June 2021
Directors & CEO	12/11/2019	30/10/2019	11,500,000	$0.1511 [1]	31/03/2023	8,300,000	9,000,000
Other Employees	12/11/2019	12/11/2019	6,000,000	$0.1511 [1]	31/03/2023	1,000,000	4,018,277
Director	30/11/2020	30/11/2020	1,500,000	$0.7277 [1]	31/03/2024	1,500,000	1,500,000
Directors, CEO & Other Employees	2/12/2021	24/11/2021	24,050,000	$1.7900	31/05/2025	24,050,000	-
			43,050,000			34,850,000	**14,518,277**

1 Following the return of capital by way of pro-rata in-specie distribution of 50,000,000 iTech shares (refer Note 18), on 15 October 2021 the exercise price of outstanding Options at that time were adjusted in accordance with the ASX Listing rules. Options previously exercisable at $0.1929 were adjusted to be exercisable at $0.1511 each, and Options previously exercisable at $0.7695 were adjusted to be exercisable at $0.7277 each.

All Options are unlisted and are exercisable into fully paid ordinary shares in the Company on a one for one basis.

Options granted during the year

On 2 December 2021, a further 24,050,000 Options were issued to Directors and employees of Archer following shareholder approval at the Company's Annual General Meeting held on 24 November 2021 (2021 AGM). Options were granted at no cost to the recipients and vest immediately upon issue.

Options exercised during the year

During the reporting period 3,718,277 Options were exercised into fully paid ordinary shares.

Options forfeited during the year

No Options were lapsed or forfeited during the year.

See Note 17 for further details regarding movements in Options during the current and prior reporting periods.

c) Performance Rights (Rights) on issue

There were no Rights on issue during the reporting period or as at the date of this report.

d) Capital Management

Management effectively manages the Group's capital and capital structure by assessing the Group's financial risks through regular monitoring of budgets and forecast cashflows. The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business, including through the issue of shares. The Group's capital is shown as issued capital in the statement of financial position. The Group is not subject to any external capital restrictions.

NOTE 15 – LOSS PER SHARE	30 JUNE 2022 $	30 JUNE 2021 $
Reconciliation of earnings to Statement of Profit or Loss and other Comprehensive Income		
Loss for year used to calculate basic EPS	(14,115,728)	(6,593,262)
	Number	*Number*
a) Weighted average number of shares outstanding during the year used in calculation of basic EPS	241,767, 819	225,278,694
b) In accordance with AASB 133 "Earnings per Share" as potential ordinary shares may only result in a situation where their conversion results in a decrease on profit per share or increase in loss per share, no dilutive effect has been taken into account.		

NOTE 16 – RESERVES	30 JUNE 2022 $	30 JUNE 2021 $
a) Share-based payments reserve		
Share based payment reserve	10,893,334	1,148,813
Movement associated with Options during the year:		
Opening Balance	1,148,813	997,000
Options issued	9,945,024	404,250
Options exercised	(200,503)	(252,437)
Closing Balance	10,893,334	1,148,813

The share-based payments reserve records items recognised as an expense on the valuation of Options or performance rights. Refer Note 17 for further details regarding the movement in Options during the reporting period.

	30 JUNE 2022 $	30 JUNE 2021 $
b) Acquisition reserve		
Acquisition reserve	-	240,000

The acquisition reserve represented the fair value of consideration paid (in performance rights) for the Company's prior periods acquisition of Carbon Allotropes Pty Limited. An amount of $240,000 was transferred to retained losses for the year ended 30 June 2022.

NOTE 17 – SHARE BASED PAYMENTS

UNLISTED OPTIONS
30 JUNE 2022

The number of Options and weighted average exercise prices are as follows for the reporting period presented:

	Number of Options	$	Weighted Average Exercise Price Per Option $
Opening Balance (1 July 2021)	14,518,277	1,148,813	$0.25
Granted	24,050,000	9,945,024	$1.79
Exercised	(3,718,277)	(200,503)	$0.16
Closing Balance (30 June 2022)	**34,850,000**	**10,893,334**	**$1.30**

Weighted average remaining contractual life of Options at 30 June 2022 is 2.29 years.

An amount of $200,503 was transferred to retained losses during the reporting period, relating to prior period share-based payments associated with the options that were exercised into shares during the current reporting period (2021: $252,437).

Options granted during the year ended 30 June 2022

On 2 December 2021, 24,050,000 unlisted Options were issued to Archer's directors and employees following shareholder approval at the Company's Annual General Meeting held on 24 November 2021 ("2021 AGM"). The Options were granted at no cost to the recipient and vest 1/3rd on 31 May 2022, 1/3rd on 31 May 2023, and 1/3rd on 31 May 2024 provided that the recipient is an employee of the Company at the date of vesting (service condition only). The Options have an exercise price of $1.79 each and expiry date of 31 May 2025.

The total fair value at the grant date for the 24,050,000 Options was $18,287,706, and this amount is being expensed to the Statement of Profit or Loss and Other Comprehensive Income under 'share based payments expense' over the vesting periods applicable to the Options. Accordingly, an amount of $9,945,024 has been included in the Statement of Profit or Loss and Other Comprehensive Income under 'share based payments expense' for the year ended 30 June 2022 (2021: $404,250).

The Options were granted pursuant to the Company's Performance Rights and Share Option Plan, which was approved by shareholders at the Annual General Meeting held on 30 October 2019.

Details of the Options granted during the reporting period are set out below:

Issued to	Grant Date	Issue Date	Number of Options Granted	Option Exercise Price	1st Vesting Date	2nd Vesting Date	3rd Vesting Date	Expiry Date
Directors & Employees	24 Nov 21	02 Dec 21	24,050,000	$1.79	31 May 22	31 May 23	31 May 24	31 May 25

All options are unlisted and are exercisable into fully paid ordinary shares in the Company on a one for one basis.

NOTE 17 – SHARE BASED PAYMENTS (CONTINUED)

The fair value of the Options issued was calculated by using a Black-Scholes option pricing model and was estimated on the date of the grant using the following assumptions:

	Director and Employee Options
Share price at date of grant ($)	1.39
Historic volatility (%)	88.5
Risk free interest rate (%)	0.99
Expected life of Options (days)	1284
Fair value at grant date ($)	0.766

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future tender, which may not eventuate.

The life of the Options is based on the historical exercise patterns, which may not eventuate in the future.

Options exercised during the year ended 30 June 2022

During the reporting period a total of 3,718,277 Options with an expiry date of 31 March 2023, were exercised into shares, comprising 1,400,000 options (exercise price of $0.1929) and 2,318,277 (exercise price of $0.1511).

An amount of $200,503 was transferred to retained losses during the reporting period, relating to prior period share-based payments associated with the Options that were exercised into shares during the current reporting period (2021: $252,437).

Options forfeited during the year ended 30 June 2022

No options were lapsed or forfeited during the reporting period.

PERFORMANCE RIGHTS

There were no Rights on issue during the current or prior reporting periods.

NOTE 18 – DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS

SALE OF SUBSIDIARIES TO ITECH MINERALS LTD

On 12 April 2021, the Company announced that it had signed a legally binding share sale agreement with iTech Minerals Pty Ltd ("iTech") for the sale of all of the three subsidiary companies that held Archer's remaining mineral tenements (the "Transaction").

At the Company's General Meeting held on 30 August 2021, Archer shareholders approved the sale of the Company's remaining mineral exploration projects to iTech in return for 50 million iTech shares (Resolution 1) and the reduction of capital by way of pro-rata in-specie distribution of the 50 million iTech shares to eligible Archer shareholders (Resolution 2).

The Transaction completed on 14 October 2021, with the Company receiving received 50 million iTech shares (with a value of $0.20 per iTech share), which were disbursed to Archer shareholders by way of a pro-rata in-specie distribution on 15 October 2021. The Company did not hold any iTech shares following completion of the Transaction.

The following table represents the carrying amounts of net assets over which control was lost at the date of completion.

Carrying amounts of net assets over which control was lost

Assets	**Total $**
Non-current exploration assets held for sale	10,000,000
	10,000,000
Liabilities	-
Net assets disposed	**10,000,000**
Consideration received:	
Fair value of equity received in iTech Minerals Ltd – 50,000,000 shares	10,000,000
Total consideration received	**10,000,000**
Gain / (loss) on disposal group classified as held for sale assets	**-**
Equity	
Return of capital by way of pro-rata in-specie distribution of iTech shares	**(10,000,000)**

NOTE 18 – DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE AND DISCONTINUED OPERATIONS (CONTINUED)

The combined net operating loss of the three companies sold to iTech namely SA Exploration Pty Ltd, Pirie Resources Pty Ltd and Archer Pastoral Company Pty Ltd are shown below:

	30 JUNE 2022 $	30 JUNE 2021 $
Interest income	89	734
Impairment of exploration assets	-	(4,948,249)
Exploration expenditure expensed	(56,799)	(67,747)
Depreciation	(9,682)	(10,563)
Other expenses	(831)	(4,825)
Loss for year from discontinued operations before tax	**(67,223)**	**(5,030,650)**

The combined assets and liabilities of SA Exploration Pty Ltd, Pirie Resources Pty Ltd and Archer Pastoral Company Pty Ltd are shown below:

Statement of financial position	30 JUNE 2022 $	30 JUNE 2021 $
Other current assets	-	8,324
Non-current plant and equipment	-	9,682
Non-current exploration assets	-	10,000,000
Assets of the disposal group held for sale	**-**	**10,018,006**
Current trade payables	-	85,894
Liabilities included in disposal group held for sale	**-**	**85,894**

Cash flows generated by SA Exploration Pty Ltd, Pirie Resources Pty Ltd and Archer Pastoral Company Pty Ltd are shown below:

	30 JUNE 2022 $	30 JUNE 2021 $
Operating activities	(135,111)	(21,895)
Investing activities	-	(315,172)
Net cash used in discontinued operations	**(135,111)**	**(337,067)**

NOTE 19 – CASH FLOW INFORMATION

CONTINUING OPERATIONS

a) Reconciliation of cash flows from continuing operations with loss after income tax	30 JUNE 2022 $	30 JUNE 2021 $
Loss after income tax	(14,048,505)	(2,806,911)
Depreciation (net of capitalised depreciation)	37,829	26,244
Amortisation of intangibles	12,577	6,054
Fair value loss on financial assets (Note 9)	1,448,062	1,796,488
Share based payments	9,945,024	404,250
Gain on sale of non-current assets – sale to ChemX (Note 20)	(464,224)	(1,661,737)
Gain on sale non-current assets - plant and equipment	(45,000)	-
Changes in assets and liabilities:		
- Increase in trade and other receivables	(1,161,007)	(180,034)
- Increase in trade and other payables	99,288	110,336
- Increase in employee entitlements	10,473	107,652
Net cash used in operating activities from continuing operations	**(4,165,483)**	**(2,197,658)**

b) Non-Cash Financing and Investing Activities

During the reporting period Archer was issued 2,321,119 shares in ChemX Materials Limited ('ChemX') as additional consideration equal to 5% of the enterprise value of ChemX at the time of ASX listing, in accordance with the sale agreement between the Company and ChemX for the sale of the mineral exploration licences EL 5815 (Waddikee) and EL 5920 (Carappee Hill).

ChemX Materials Limited commenced ASX quotation on 18 January 2022. The issue price of ChemX shares under the replacement prospectus dated 26 November 2021 was $0.20 per share. The fair value at the date of receiving the additional 2,321,119 shares held in ChemX was $464,224. An amount of $464,224 was recorded as income on the Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2022. Refer Note 9 for further details regarding shares held by the company as financial assets on the Statement of Financial Position as at 30 June 2022.

There were no further non-cash investing activities undertaken during reporting period.

There were no non-cash financing activities undertaken during reporting period.

NOTE 19– CASH FLOW INFORMATION (CONTINUED)

DISCONTINUED OPERATIONS

a) Reconciliation of cash flows from discontinued operations	30 JUNE 2022 $	30 JUNE 2021 $
Loss after income tax	(67,223)	(3,786,351)
Depreciation	9,682	10,563
Impairment of exploration assets	-	5,015,996
Gain on sale of disposal group held for sale -Leigh Creek Magnesia Project	-	(1,244,299)
Changes in liabilities:		
- Decrease in trade and other receivables	8,324	-
- Decrease in trade and other payables	(85,894)	(17,804)
Net cash used in discontinued operating activities (Note 18)	(135,111)	(21,895)
Net cash (used) / from discontinued investing activities (Note 18)	-	(315,172)
Total cash used in discontinued operations	**(135,111)**	**(337,067)**

NOTE 20 – SALE OF NON-CURRENT ASSETS

During the prior year ended 30 June 2021 the Company signed a legally binding sale agreement ("Agreement") with ChemX Materials Limited ("ChemX") ("Buyer") for the sale of the mineral exploration licences EL 5815 (Waddikee) and EL 5920 (Carappee Hill) located on the Eyre Peninsula in South Australia ("Sale Tenements") (ASX Ann. 22 Dec 2020).

On 18 June 2021, the Company announced that it had completed the sale and purchase of the Sale Tenements to ChemX. At completion, the Company received 9.25 million ChemX shares at an issue price of $0.20 per share for a total value of $1.85 million.

The terms of the sale ChemX sale agreement were detailed in two ASX announcements (ASX ann. 22 Dec 2020 and 15 Mar 2021). In summary, the purchase price payable by ChemX for the purchase of the Sale Tenements is:

> payment of $2.0 million. Archer has previously received $150,000 cash and, at completion, received the remaining $1.85 million paid in ChemX shares; plus

> bonus payment equal to 5% of the enterprise value of ChemX at the time of ASX listing, paid in cash or shares at the election of ChemX; plus

> a 2% Net Smelter Return royalty ("Royalty") on the value of all minerals (excluding graphite) extracted from the Sale Tenements.

During the reporting period Archer was issued 2,321,119 shares in ChemX Materials Limited ('ChemX') as additional consideration equal to 5% of the enterprise value of ChemX at the time of ASX listing, in accordance with the Agreement between the Company and ChemX.

ChemX commenced ASX quotation on 18 January 2022. The issue price of ChemX shares under the replacement prospectus dated 26 November 2021 was $0.20 per share. The fair value at the date of receiving the additional 2,321,119 shares held in ChemX was $464,224. An amount of $464,224 was recorded as income on the Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2022. Refer Note 9 for further details regarding shares held by the company as financial assets on the Statement of Financial Position as at 30 June 2022.

NOTE 20 – SALE OF NON-CURRENT ASSETS (CONTINUED)		
Carrying amounts of non-current assets sold	**30 JUNE 2022 $**	**30 JUNE 2021 $**
Assets		
Carrying value of non-current assets sold	-	320,459
	-	**320,459**
Consideration received:		
Cash received	-	150,000
Fair value of equity received in ChemX Materials Limited [1]	464,224	1,850,000
Total consideration received	**464,224**	**2,000,000**
Legal costs	**-**	**(17,804)**
Gain on sale of non-current assets	**464,224**	**1,661,737**

1 Fair value reported above was determined at the date of receiving ChemX shares. Adjustments to the fair value of the ChemX shares held at 30 June 2022, have been included in the Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2022. Refer Note 9 for further details regarding fair value adjustment to ChemX shares held at 30 June 2022.

NOTE 21 – CONTINGENT ASSETS, LIABILITIES & COMMITMENTS

Sugarloaf Land Option

In November 2018 Archer announced the sale of its Sugarloaf farmland for $1.35 million. The transaction settled on 1 July 2019 with Archer receiving the $1.35 million sale proceeds in July 2019. The purchaser of the farm land has granted Archer an option to buy back approximately 30% of the Sugarloaf farm land, which may be required for the construction of the Sugarloaf Graphite Processing Facility ("Land Option"). The Land Option may be exercised by Archer any time before 31 December 2023. The Land Option was not assigned to iTech Minerals Ltd.

ChemX Materials Limited – royalty

In June 2021 Archer announced the completion of the sale of tenements to ChemX Materials Limited. In addition to the consideration already received, Archer is also entitled to a 2% Net Smelter Return royalty on the value of all minerals (excluding graphite) extracted from the tenements sold to ChemX.

Leigh Creek Project bonus payment

In August 2020, the Company sold the Leigh Creek Magnesite Project ("Project") to Magmetal Tech Pty and Witchimag Pty Ltd ("Witchimag"). Under the terms of the Project sale agreement, Archer is entitled to a bonus payment if Witchimag lists on a stock exchange after completion. The bonus payment is equal to 5% of the value of the consideration paid to the owners of Witchimag under the listing ("bonus payment"). In May 2022, Canadian Stock Exchange listed Crest Resources Inc ("Crest") announced that it had entered into a Letter of Intent to acquire a 69.5% interest in Witchimag. If Crests acquisition of Witchimag proceeds, then the Company may become entitled to the bonus payment.

Native Title Claim

Archer Metals Pty Ltd is one of a number of respondents to a native title claim proceeding in the Federal Court of Australia. The tenement subject of the claim proceedings as they relate to Archer Metals Pty Ltd is E53-1926 in Western Australia. The tenement, which had a total area of 6km2 was granted to the Company on 24 July 2018 and was surrendered on 11 March 2021, having only undertaken low impact ground geophysics on the tenement in March 2020. The Company is in the process of seeking removal from the claim proceedings. As at the date of this report the Company the proceedings remain ongoing and the Company is unable to determine whether any compensation will be payable (if at all) by Archer Metals Pty Ltd.

The Group did not have any further contingent assets or liabilities or commitments as at 30 June 2022.

NOTE 22 – RELATED PARTY TRANSACTIONS

a) Subsidiaries

Interests in subsidiaries are disclosed in Note 10.

b) Key Management Personnel

Disclosures relating to Key Management personnel are set out in Note 5 and the Remuneration Report contained within the Directors' Report.

c) Other transactions with related parties

Piper Alderman lawyers were paid a total of $32,725 (2021: $53,099) for legal services rendered to the Company. Mr English is a Consultant at Piper Alderman lawyers. The fees were at normal commercial rates.

Dr Choucair is a co-inventor of the ^{12}CQ intellectual property licenced to Archer under a Licence Agreement with The University of Sydney. During the period Dr Choucair was paid a total of $4,710 (2021: nil) by The University of Sydney.

NOTE 23 – FINANCIAL INSTRUMENTS

a) Financial Risk Management Policies

The Group's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payables.

b) Interest Rate Risk

Interest rate risk is managed with a mixture of fixed and floating rate cash deposits. It is the policy of the group to keep surplus cash in high yielding deposits.

i) Treasury Risk Management

The Board meets on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The Board's overall risk management strategy seeks to assist the Group in meeting its financial targets, whilst minimizing potential adverse effects on financial performance.

ii) Financial Risk Exposure and Management

The main risk the group is exposed to through its financial instruments is interest rate risk.

c) Sensitivity Analysis

Interest Rate and Price Risk

The Group has performed a sensitivity analysis relating to its exposure to interest rate risk and price risk at reporting date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

NOTE 23 – FINANCIAL INSTRUMENTS (CONTINUED)

Interest Rate Sensitivity Analysis

At 30 June 2022, the effect on loss and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	2022 $	2021 $
Change in loss		
- Increase in interest rates by 2%	500,903	21,632
- Decrease in interest rates by 2%	(500,903)	(21,632)
Change in equity		
- Increase in interest rates by 2%	500,903	21,632
- Decrease in interest rates by 2%	(500,903)	(21,632)

d) Net Fair Value of Financial Assets and Liabilities

The net fair value of cash and cash equivalent and noninterest bearing monetary financial assets and financial liabilities of the consolidated entity approximate their carrying value.

The net fair value of other monetary financial assets and financial liabilities is based on discounting future cash flows by the current interest rates for assets and liabilities with similar risk profiles. The balances are not materially different from those disclosed in the balance sheet of the consolidated entity.

e) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets, is the carrying amount, net of any provisions for doubtful debts of those assets, as disclosed in the balance sheet and notes to the financial statements.

The consolidated entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the consolidated entity.

f) Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Trade payables are generally payable on 30-day terms.

NOTE 23 – FINANCIAL INSTRUMENTS (CONTINUED)

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Consolidated - 30 June 2022	%	$	$	$	$
Non-interest bearing					
Trade and other payables		348,759	-	-	-
Interest-bearing - variable					
Lease liability	4.1%	10,652	9,097	-	-
Total		359,411	9,097	-	-

	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Consolidated - 30 June 2021	%	$	$	$	$
Non-interest bearing					
Trade and other payables		249,471	-	-	-
Interest-bearing - variable					
Lease liability	4.1%	10,341	10,652	9,097	-
Total		259,812	10,652	9,097	-

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

g) Market risk

Foreign currency risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's functional currency. The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United States Dollar (USD).

Price risk

The Group is not exposed to any significant price risk.

NOTE 24 – ARCHER MATERIALS LIMITED PARENT COMPANY INFORMATION

	30 JUNE 2022 $	30 JUNE 2021 $
PARENT ENTITY		
ASSETS		
Current assets	28,138,988	6,697,744
Other financial assets	1,708,806	2,692,644
Investments in subsidiaries	2,430	266,525
Other Non-current assets	315,310	225,389
TOTAL ASSETS	**30,165,534**	**9,882,302**
LIABILITIES		
Current liabilities	695,186	550,879
Non-current liabilities	50,419	90,977
Loans to subsidiaries	-	25,269
TOTAL LIABILITIES	**745,605**	**667,125**
EQUITY		
Issued capital	47,723,569	33,093,217
Share based payment reserve	10,893,334	1,148,813
Acquisition reserve	-	240,000
Accumulated losses	(29,197,602)	(25,266,853)
TOTAL EQUITY	**29,419,301**	**9,215,177**
FINANCIAL PERFORMANCE		
(Loss) / Profit for the year	(4,396,521)	154,131
Other comprehensive income	-	-
TOTAL (LOSS) / PROFIT	**(4,396,521)**	**154,131**

Guarantees in relation to relation to the debts of subsidiaries

Archer Materials Limited has not entered into a deed of cross guarantee with its wholly-owned subsidiaries Archer Energy & Resources Pty Ltd, Carbon Allotropes Pty Limited, Archer IOCG Pty Ltd and Archer Metals Pty Ltd.

Contingent assets, liabilities and commitments

In June 2021 Archer announced the completion of the sale of tenements to ChemX Materials Limited (Note 20). In addition to the consideration already received, Archer is entitled to a 2% Net Smelter Return royalty on the value of all minerals (excluding graphite) extracted from the tenements sold to ChemX.

Refer Note 21 for details of contingent assets, liabilities and commitments as at 30 June 2022.

NOTE 25 – EVENTS SUBSEQUENT TO REPORTING DATE

> The Company acquired 2,892,780 quoted options in CMX ("ChemX Options"), being the Company's full entitlement pursuant to the CMX Entitlement Issue Prospectus dated 30 May 2022 (Loyalty Options Offer). ChemX Options are exercisable at $0.30 each and expire on 11 July 2025. ChemX Options were issued to the Company on 11 July 2022. The Company paid $0.005 each for the ChemX Options during the reporting period. Accordingly, an amount of $14,464 has been included as a prepayment within the Statement of Financial Position as at 30 June 2022.

> On 29 August 2022, 1,500,000 Options were granted to an employee of the Company. The Options were issued for nil consideration and are exercisable at $1.79 each on or before 31 May 2025. 50% of the Options vest on 31 May 2023 and 50% on 31 May 2024 (provided that the recipient is an employee of the Company at the date of vesting) and are governed by the terms and conditions of the Company's Performance Rights and Share Option Plan. The fair value of the Options at the date of grant was $421,047.

> On 13 September 2022, 1,050,000 Options, exercisable at $1.79 each and expiring on 31 May 2025, lapsed unexercised, in accordance with the terms on which they were issued.


ELIONIX

Directors Declaration

The Directors of the Company declare that:

1. **the Financial Statements and Notes as set out on pages 44 to 74 are in accordance with the Corporations Act 2001 and:**
   a) comply with Australian Accounting Standards and International Financial Reporting Standards as disclosed in Note 1; and
   b) give a true and fair view of the financial position as at 30 June 2022 and of the performance for the period ended on that date.

2. **the Executive Chairman and the Chief Financial Officer have each declared that:**
   a) the financial records of the Company for the year ended have been properly maintained in accordance with section 286 of the Corporations Act 2001
   b) the financial statements and notes for the financial year comply with the Accounting Standards; and
   c) the financial statements and notes give a true and fair view;

3. **in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.**

This declaration is made in accordance with a resolution of the Board of Directors.

Greg English
Executive Chairman

Adelaide
Dated this 21st day of September 2022

Grant Thornton

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Grant Thornton House
Level 3
170 Frome Street
Adelaide SA 5000
GPO Box 1270
Adelaide SA 5001

T +61 8 8372 6666

Independent Auditor's Report

To the Members of Archer Materials Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Archer Materials Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the year ended on that date; and

b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>Sale of Subsidiaries holding Mineral Tenements to iTech Minerals Ltd – Note 18</td><td></td></tr>
<tr><td>During prior year, the Group entered into an agreement to sell three subsidiaries holding Archer Materials Limited's remaining mineral tenements to iTech Minerals Limited. The consideration for this transaction was to be settled with 50 million shares in iTech Minerals Limited valued at $0.20 each at the time of a successful iTech Minerals IPO.

The transaction was completed during the year ended 30 June 2022. Following receipt of consideration shares, the Group made a return of capital by way of a pro-rata in-specie distribution of iTech Minerals Limited's shares received to its shareholders.

The area is considered to be a Key Audit Matter due to the nature and size of the transaction as well as the accounting judgements required.</td><td>Our procedures included, amongst others:
• reviewing the share sale and purchase agreement to understand key terms and conditions;
• reviewing the financial positions of disposed subsidiaries at the transaction date;
• tracing consideration received to supporting documentation;
• reviewing the calculation of gain or loss resulting from disposal;
• reviewing the in-specie distribution of iTech shares for appropriateness; and
• reviewing the adequacy of relevant financial statement disclosures.</td></tr>
<tr><td>Recognition of research and development tax incentive – Notes 1 & 8</td><td></td></tr>
<tr><td>The Group receives a research and development (R&D) refundable tax offset from the Australian government, which represents Corporate tax rate plus 18.5 (43.5) cents in each dollar of eligible annual R&D expenditure if its turnover is less than $20 million per annum. Registration of R&D Activities Application is filed with AusIndustry in the following financial year and, based on this filing, the Group receives the incentive in cash.

Management reviewed the Group's total R&D expenditure to estimate the refundable tax offset receivable under the R&D tax incentive legislation.

This area is a key audit matter due to the size of the accrual and the degree of judgment and interpretation of the R&D tax legislation required by management to assess the eligibility of the R&D expenditure under the scheme.</td><td>Our procedures included, amongst others:
• obtaining through discussions with management an understanding of the process to estimate the claim;
• utilising an internal R&D tax specialist to;
  – review the expenditure methodology employed by management for consistency with the R&D tax offset rules; and
  – consider the nature of the expenses against the eligibility criteria of the R&D tax incentive scheme to form a view about whether the expenses included in the estimate were likely to meet the eligibility criteria;
• comparing the nature of the R&D expenditure included in the current year estimate to the prior year's claim;
• testing a sample of R&D expenditure and agreeing to supporting documentation to ensure appropriate classification, the validity of the claimed amount and eligibility against the R&D tax incentive scheme criteria; and
• assessing the appropriateness of the financial statement disclosures.</td></tr>
</table>

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors' for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1_2020.pdf.This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in the Directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Archer Materials Limited, for the year ended 30 June 2022 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

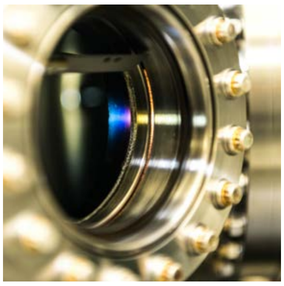
Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

J L Humphrey
Partner – Audit & Assurance

Adelaide, 21 September 2022

Additional information



Compiled as at 8 September 2022

Additional information required by the ASX Listing Rules and not disclosed elsewhere in this report is set out below.

Shareholder information

Substantial Shareholders

There are no substantial shareholders in the Company with 5% or greater relevant interest in securities of the Company.

Distribution of equity securities

Number of security holders by size of holding:

Range	Ordinary Shares	Unlisted Options
1 - 1,000	2,875	-
1,001 - 5,000	4,497	-
5,001 - 10,000	1,885	-
10,001 - 100,000	2,600	-
100,001 and over	365	12
Total	12,222	12

Unmarketable Parcels	Minimum parcel size	Holders	Ordinary Shares
Minimum $500.00 parcel at $0.78 per share	642 shares	1,585	606,425

Voting Rights

The voting rights attaching to each class of equity securities is set out below:

(a) Ordinary Shares: On a show of hands, every person present who is a member or proxy, attorney or representative of a member has one vote and upon a poll each share shall have one vote.

(b) Unlisted Options: No voting rights.

Additional information

Twenty largest holders of each class of quoted equity security

Rank	Name	Shares	% Issued capital
1	BNP PARIBAS NOMS PTY LTD <DRP>	7,945,462	3.20
2	GDE EXPLORATION (SA) PTY LTD <DRAGON MINING INV A/C>	7,534,798	3.03
3	CITICORP NOMINEES PTY LIMITED	5,191,765	2.09
4	INVERTON PTY LTD <ALICE MCCLEARY SUPER A/C>	3,791,072	1.53
5	MR ROGER EDWARD KOCH	2,800,000	1.13
6	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	2,656,573	1.07
7	DR MOHAMMAD CHOUCAIR	2,600,000	1.05
8	MR FORBES VALE SPRAWSON + MRS MARGARET MARY SPRAWSON	2,300,000	0.93
9	MR BASIL CATSIPORDAS	2,000,000	0.80
10	KOOYAP PTY LTD <YAP & FOO S/F A/C>	1,896,534	0.76
11	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,865,318	0.75
12	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	1,858,487	0.75
13	DR MARTIN FUECHSLE	1,755,106	0.71
14	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	1,548,953	0.62
15	MR ALISTAIR CHARLES JACKSON	1,547,347	0.62
16	MRS DEBORAH ANNETTE ROSSITER	1,463,679	0.59
17	GDE EXPLORATION (SA) PTY LTD <A1 ENGLISH FAMILY A/C>	1,462,820	0.59
18	MR STEPHEN MAHNKEN + MS DIOR MAHNKEN <THREE FISH A/C>	1,428,571	0.57
19	WADE BOLLENHAGEN	1,318,300	0.53
20	MR JARROD DRISCOLL <DRISCOLL BROTHERS S/F A/C>	1,132,957	0.46
Total		**54,097,742**	**21.77**

Corporate Governance Statement

For the Year Ended 30 June 2022

The Corporate Governance Statement for the Group has been released as a separate document and is located in the Corporate Governance section of the Company's website at: www.archerx.com.au

Corporate directory

Directors

Greg English
Executive Chairman

Kenneth Williams
Non-Executive Director

Bernadette Harkin
Non-Executive Director

Chief Executive Officer

Dr Mohammad Choucair

Company Secretary

Damien Connor

Registered Office

Lot Fourteen, Frome Road
ADELAIDE SA 5000

Telephone: +61 8 8272 3288
Email: hello@archerx.com.au

Share Registry

Computershare Investor Services Pty Ltd

Level 5, 115 Grenfell Street
ADELAIDE SA 5000

Auditors

Grant Thornton Audit Pty Ltd

Level 3, 170 Frome Street
ADELAIDE SA 5000

Solicitor

Piper Alderman

Level 16, 70 Franklin Street
ADELAIDE SA 5000

Bankers

National Australia Bank

Level 11, 22 King William Street
ADELAIDE SA 5000

Australian Securities Exchange

The Company is listed on the Australian Securities Exchange

ASX CODE: AXE

Stay in touch

Latest news, reports and presentations via email

Shareholders are encouraged to take advantage of the benefits of electronic communications by electing to receive communication from the Company and its share registry electronically.

Shareholders can change their communication preferences through the registry website: www.investorcentre.com

For more information about Archer's activities, and sign up to receive the latest news, reports, presentations and ASX released, please visit our:

Website:
https://archerx.com.au/

Sign up to our Newsletter:
http://eepurl.com/dKosXI

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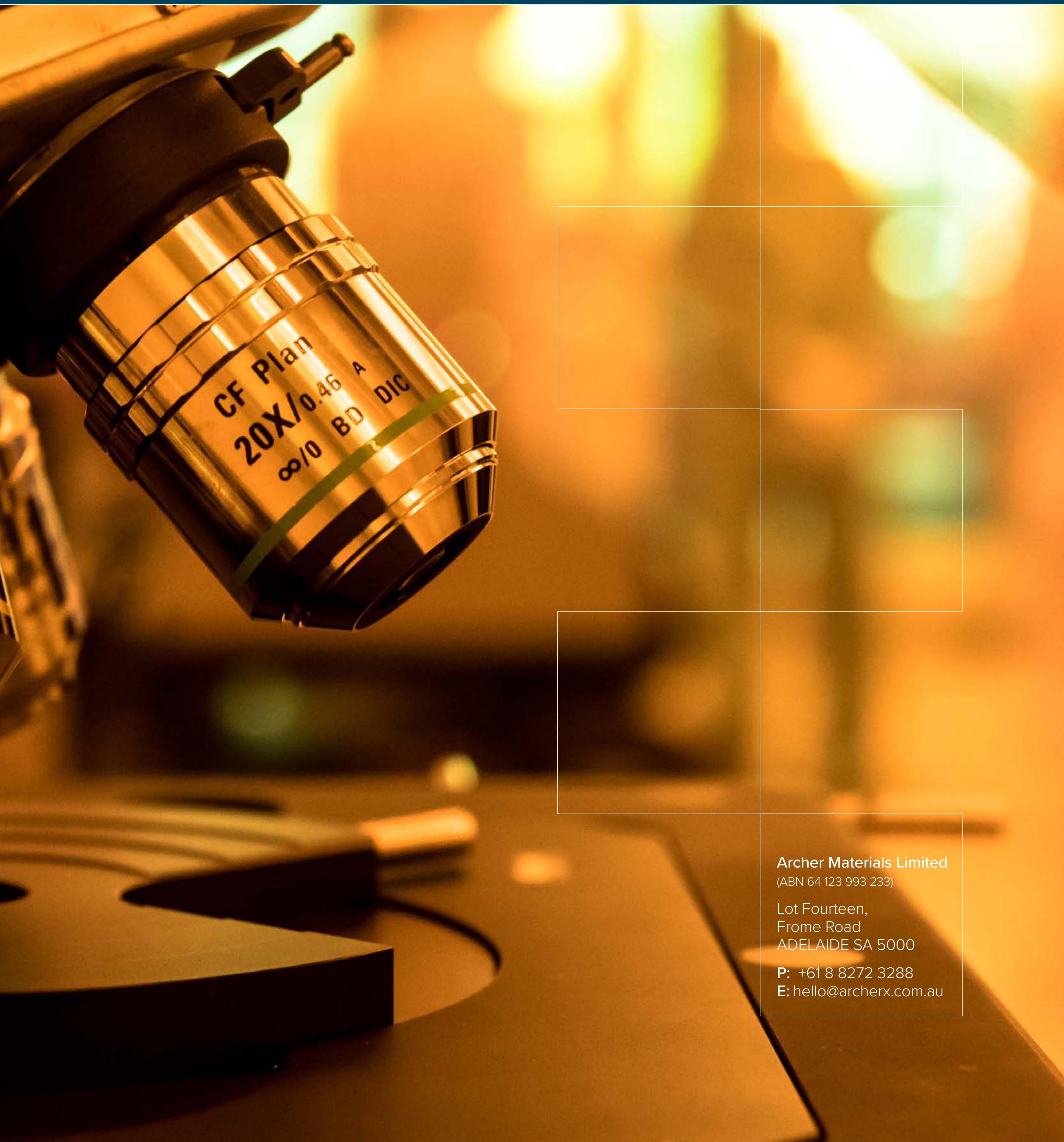
https://twitter.com/archerxau

YouTube:

ARCHER



Archer Materials Limited
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