Archer Exploration Limited Significant Copper at Spring Creek

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Adelaide, Australia (ABN Newswire) - Archer Exploration Ltd. (ASX:AXE) (Archer or the Company) is pleased to announce that its initial sampling of the old Spring Creek Copper Mine, located 30km of Wilmington, South Australia, has identified significant copper outside of the previously mined areas.

The results of the sampling have confirmed:

- the style of mineralisation is not strictly limited to the stratigraphy; and

- the presence of copper outside of main stopes highlights potential for new copper lodes to be intersected below the sampled drives

Commenting on the results, Managing Director, Gerard Anderson said, "Having recently lodged the Mining Lease Proposal for our Campoona Shaft graphite project we now have some time to devote to assessing our other portfolio opportunities."

"Our findings of copper peripheral to the old stopes at Spring Creek, together with the likelihood of being able to define extensions to the high grade historic stopes, is a very exciting prospect for Archer. This rediscovered project had historically been mined without the aid of modern mining methods or technology and was mined at an elevated cut-off grade to deliver ore grading 8-10% Cu. There is a lot of potential for us to find value in this asset" said Mr Anderson.

The Company has started the process of gaining the consents required to commence an underground diamond drill program at Spring Creek.

Spring Creek

The historic Spring Creek copper mine is located 30km south of the township of Wilmington, South Australia.

Copper mining ceased in 1918 when the mine de-watering pump failed and the mine flooded. The government of the day determined that the operator had 12 months to reactivate the mine or face forfeiture. Pumps failed again and the mine was relinquished.

The historic mining records at Spring Creek document what can be described as a classic supergene copper profile with the uppermost portion comprised solely of copper carbonates malachite (CuCO3-Cu(OH)2) and azurite (2CuCO3-Cu(OH)2) which pass vertically into copper oxides cuprite (Cu2O) and native copper (Cu) before passing vertically into transition sulphide zone consisting of chalcocite (Cu2S), and covellite (CuS).

Primary sulphides were never encountered meaning that the primary mineralisation which was the source of the copper that was mined is likely to occur at depth below the flooded workings. Archer expects that because of this that "unmined" intact and high grade copper mineralisation is likely to be found below the stopes.

The mine comprises a series of drives coming off an adit cut into a hill face, figure 1 in link below. Only the upper level was accessed. From these different drives a number of stopes are observed that were historically;

- accessed by winzes to lower levels

- mined down to the main drive from the surface

The main copper lodes at the historic Spring Creek Copper Mine are contained within an intense eastwest striking quartz-rich hematite breccia within a ferruginous siltstone. Lower grade copper occurs as blebs and joint/fracture coatings within a "halo" around the mined stopes.

The style of mineralisation is NOT strictly limited to the stratigraphy as mineralised lenses are cross cutting

and plunge within the breccia itself.

Sampling

The sampling program was undertaken to assess the presence and grade of copper mineralisation peripheral to the historic high grade (8-10% Cu) mining stopes within the Spring Creek mine. Samples were collected by face sampling access drives and by taking point sampling of remnant pillars.

Three separate drives were sampled (highlighted in figure 1 in link) and assayed for copper. The results demonstrate that the multiple high grade copper bodies (8-10% Cu) have a halo of mineralisation averaging 1-3% Cu. Point sampling of remnant pillars within one stope accessible on the one level sampled indicate grades up to 8% Cu which mirrors historic mined grades.

All samples taken in the sampling programme were from the zones peripheral to the mined out stopes and all mineralisation consisted of the copper carbonates, malachite and azurite.

Sampling of Drive 1 (Face_001) commenced in hard silica rich rock and ended (Face_001a) in a pillar opposite Stope_1 that was mined above the drive. Sampling of Drive 2 (Face _002) commenced after passing Stope_1 and continued back into the mine (Easterly) and ceased at the junction of an abandoned and sealed Drive. Sampling of Drive 3 (Face_003) was completed in two parts (003 and 003a) and continued from Stope 1 (in a Northerly direction) then around to the NE towards Drive _4.

Point samples were taken over 2 separate visits as a part of understanding the host rock and the mineralisation.

Drive 4 was not sampled as it strikes in a direction similar to that of the stratigraphy (020); Drive 5 was inaccessible at the time due to an open winze.

The lower stopes were not sampled in this round. However, Mining Reports from the SA Govt (1916), describe grades ranging from 2.2 to 8.9% Cu remain in faces in these lower stopes.

Future Exploration

Archer will source a small underground diamond drill rig and drill a series of fan holes designed to intersect extensions to all of the mined out the stopes below the mined out areas. Drilling from underground will determine the width and grade of the en echelon mineralisation within the cross cutting breccia.

Future drill holes will be orientated in directions to test for unmined pods primarily below the drive out to the North and South breccia contacts. The area of the breccia is some 100m by 70m (strike). A number of deeper drill holes will also seek to identify primary copper sulphides below the supergene envelope.

To view results, tables and figures, please visit:
http://media.abnnewswire.net/media/en/docs/ASX-AXE-865967.pdf

About Archer Exploration Limited:

Archer Exploration Ltd. (ASX:AXE) is an Australian Stock Exchange listed company with 100% ownership of 15 tenements and one Exploration Licence Application all in South Australia covering 6,053 km2.

Archer also has the rights to all minerals other than uranium on EL4693 covering a further 816 km2. Archer's main project is the Campoona Graphite Project which is located within reach of established and major developing infrastructure. It has a JORC 2004 Resource of 5.27 million tonnes @ 7.6 % TC (based on 2% TC cut-off).

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