Archer Materials Limited (ACN: 123 993 233)
Lot Fourteen, Frome Road, Adelaide SA 5000
www.archerx.com.au

ASX Announcement (ASX: **AXE**) 29 April 2026

Q3 FY26 Activities Report and Appendix 4C

For the quarter ended 31 March 2026

Key Highlights

- Advancing key technical milestones towards building and demonstrating a quantum qubit device – enabling device for quantum computer system builders.
- Making progress with qubit readout, the output of quantum information on the device, which is critical to the qubit.
- Working to scale up carbon material growth for device fabrication at wafer scale.
- Completion of the first phase of the Quantum Machine Learning (QML) models to improve detection of fraud in financial transactions, with the goal of having a full QML prototype to be ready by the end of the year.
- Created an alpha-prototype of the blood potassium Biochip at clinical standard. The alpha-prototype forms the basis for the beta-protype to be developed later this year, ahead of clinical trials and commercial negotiations.
- Ramping up potential applications beyond potassium sensing for the Biochip to other medical diagnostics.
- A strong cash position of $10.3 million and no debt to help fund R&D and commercial activities across Archer's quantum platform.

Archer Materials Limited ("Archer", the "Company", "ASX: AXE"), a quantum company developing technologies in computing, sensing, and medical diagnostics, provides its Quarterly Activities Report and Appendix 4C for the quarter ended 31 March 2026 ("Quarter").

Commenting on Q3 FY26 activities, Greg English, Executive Chairman of Archer, said:

"Archer advanced its core technology quantum platforms across computing, sensing, and medical diagnostics applications during the quarter.

"The team, together with our research partners continued to make progress towards the qubit development. They did this by working on improving the readout and control capabilities, which is critical in building the qubit.

"We also progressed our partnership with Emergence Quantum, laying the groundwork for identifying graphene-based prototype applications.

"Archer also achieved key milestones through its QML initiative, reinforcing the potential of quantum-enhanced software for fraud detection in financial transactions.

Archer Materials Limited (ACN: 123 993 233)
Lot Fourteen, Frome Road, Adelaide SA 5000
www.archerx.com.au

"Alongside this, the Biochip program delivered a validated alpha-prototype demonstrating clinically relevant accuracy and operational stability for the detection of potassium in blood.

"Together, these achievements are leading us towards important events later this year, including the beta- prototype of the Biochip, ahead of its clinical trials, and the qubit, as we transition from research-led milestones toward scalable, real-world applications.

"Looking ahead, we remain focused on accelerating multiple pathways to commercialisation for our suite of quantum technologies, which will open opportunities to drive long-term value creation."

Technology development and commercialisation activities

Quantum Technologies

^{12}CQ Project: Qubit development

The team has been working on building devices for testing to demonstrate progress on qubit readout. This work involves building nanometre sized transistors out of Archer's carbon material and tuning to operate in a mode where single electrons can be isolated and probed via a magnetic field to determine the spin state. Devices have been made on our films, nano-onions, and graphene. Although labour intensive, the fabrication development, iteration, design tuning of the devices is critical. Measurements continue and have been used to iterate on device design and fabrication. The transistors (single electron transistors) will be the method of spin readout in the final qubit.

We are continuing the work to scale up carbon material growth and subsequent device fabrication at the wafer scale. Work has been done this quarter to build quantum devices in the materials and testing is beginning. The quantum performance will be fed back to the materials synthesis and device fabrication flow. We have also been able to make measurements in-house leading to decreased turnaround times.

While continuing to achieve key technical milestones on its roadmap to producing a demonstrator qubit, Archer is engaging in commercial discussions as well as triggering continual improvement programs with quantum technology partners.

Emergence Quantum partnership

Archer is moving through its first phase of its collaboration with Emergence Quantum (EQ) to accelerate the Company's qubit development via its graphene-based technology. The teams are mapping the graphene across multiple quantum domains and preparing pathways for development. The second phase will see Archer and Emergence Quantum which is to demonstrate prototypes in high-impact applications.

Sensing

Our collaboration with the Swiss Federal Technology Institute of Lausanne (EPFL) has been active. The team has been growing carbon film and building test devices that then get characterised and measured at EPFL. The team has collected electrical detection of magnetic resonance (EDMR) results on the devices, with the aim towards EDMR signatures at room

Archer Materials Limited (ACN: 123 993 233)
Lot Fourteen, Frome Road, Adelaide SA 5000
www.archerx.com.au

temperature. This will allow Archer to then start building devices like quantum magnetometers for potential use cases in medicine, imaging, and navigation.

QML Project

The first stage of the project to develop QML models to bolster detection of fraud in financial transactions, was completed during the quarter.

The first part of the project involved the selection of a publicly available dataset containing more than 280,000 bank transaction records, including known fraud cases. This dataset has been widely used in classical machine learning research, enabling direct comparison and benchmarking between quantum and traditional approaches.

Given current limitations in quantum hardware, particularly the number of available qubits, data reduction techniques have been applied to simplify the dataset while retaining key features required for model training. This is a standard approach in both quantum and classical machine learning.

QML is an emerging field that applies quantum computing to complex data analysis. As the technology matures, it has the potential to deliver faster processing and improved optimisation for certain use cases compared to classical methods.

The project is now undergoing its next phase, which is focusing on QML simulations and benchmarking with a full QML prototype expected to be ready by the end of 2026.

Biochip

During the quarter, Archer built an alpha-prototype of its blood potassium Biochip to monitor for life-threatening potassium imbalances for suffers of kidney disease, cardiovascular disease, and diabetes. The point-of-care test will also enable more effective treatment through drug titrations and administering.

The alpha-prototype prototype demonstrated potassium measurement accuracy within ±0.3 mM in blood samples, which validates the device under Clinical Laboratory Improvement Amendments (CLIA) requirements for equivalent testing in a pathology lab.

The alpha-prototype combines the Biochip, test cartridge, and readout electronics, which confirmed stable operation across repeated measurements.

This work has been multi-faceted as the chip, although the core component, is only one part of the biosensor device. More specifically:

1. Alpha prototype cartridge design of the components needed to accelerate testing and retiring risks associated with chip packaging and handling the uL volumes of blood. The team designed and built this first version of microfluidics to channel the drop of blood through to the sensing chip and the chip packaging onto a PCB which in turn integrates with the fluidics on the cartridge. Finally, the completion of design iteration work, interfacing with manufacturers and assembly.

Archer Materials Limited (ACN: 123 993 233)
Lot Fourteen, Frome Road, Adelaide SA 5000
www.archerx.com.au

2. Chip design that allows uL of blood to be tested as well as implement Archer's proprietary readout.

3. Electronics integration of the PCBs to control and readout the chip in the cartridge.

This work has allowed more realistic testing to be done by the team. More importantly, these alpha prototype components are the first step towards the final manufacturing components for the product. Finally, the learning and operation of the prototype is now being used in discussions and project planning with contract manufacturers.

Archer is set to complete the next phase of the Biochip development, the creation of the beta-prototype, later this year. The beta-prototype will then be used in the initiation of clinical trials and serve as the foundation for discussions with major MedTech corporations concerning prospective licencing agreements and facilitate engagement with medical device manufacturers.

This quarter has also seen a ramp up in two new activities:

- Feasibility data collection for other species in liquids for applications that will come in the pipeline after potassium sensing.

- Applications discovery and market analysis to identify next-generation medical device sensing.

Financial and corporate update

The Company's cash balance at the end of the Quarter was $10.3 million and has no debt.

Archer's accompanying Appendix 4C cashflow report for the Quarter includes an amount of $154,000 at item 6.1, relating to executive and non-executive director fees paid as salaries and wages.

Investor webinar

Archer is hosting an investor webinar for a Q3 FY26 update. The update will be presented by Archer's Chief Executive Officer, Dr Simon Ruffell, at 11:00am AEST on Tuesday 5 May 2026, followed by a Q&A session.

To attend, please register at:
https://us02web.zoom.us/webinar/register/WN_NN4thGjlRR6u14kVUDWrJQ

The Board of Archer has authorised this announcement for ASX release.

Investor enquiries

Luke Maffei
+61 403 193 579
luke.maffei@automicgroup.com.au

Media enquiries

Dylan Mark
+61 475 783 675
dylan.mark@automicgroup.com.au

Archer Materials Limited (ACN: 123 993 233)
Lot Fourteen, Frome Road, Adelaide SA 5000
www.archerx.com.au

About Archer

Archer is a quantum technology company that operates within the semiconductor industry. The Company is developing advanced semiconductor devices, including chips relevant to quantum computing, sensing, and medical diagnostics. Archer utilises its global partnerships to develop these technologies for potential deployment and use across multiple industries. www.archerx.com.au

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity	
Archer Materials Limited	
ABN	**Quarter ended ("current quarter")**
64 123 993 233	31 March 2026

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) research and development	(680)	(2,080)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	-	-
	(d) leased assets	-	-
	(e) staff costs	(852)	(2,654)
	(f) administration and corporate costs	(473)	(1,212)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	39	596
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	2,102	2,102
1.8	Other (provide details if material)	3	3
1.9	**Net cash from / (used in) operating activities**	**139**	**(3,245)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	(15)
	(d) investments	-	-
	(e) intellectual property	(73)	(133)
	(f) other non-current assets	(3)	(5)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(76)**	**(153)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(3)	(11)
3.10	**Net cash from / (used in) financing activities**	**(3)**	**(11)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	10,276	13,745
4.2	Net cash from / (used in) operating activities (item 1.9 above)	139	(3,245)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(76)	(153)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(3)	(11)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**10,336**	**10,336**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	2,238	2,194
5.2	Call deposits	8,098	8,082
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**10,336**	**10,276**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	154
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	N/A

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	139
8.2	Cash and cash equivalents at quarter end (item 4.6)	10,336
8.3	Unused finance facilities available at quarter end (item 7.5)	0
8.4	Total available funding (item 8.2 + item 8.3)	10,336

8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	N/A

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 29 April 2026
.....

Authorised by: The Board of Archer Materials Limited
.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.