ARCHER MATERIALS LIMITED

ACN 123 993 233

Prospectus

For the offer of one (1) Attaching Option for every one (1) Share issued to Participants pursuant to the SPP, for nil consideration (**Offer**).

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Attaching Options being offered pursuant to this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Attaching Options offered in accordance with this Prospectus should be considered as a speculative investment.

Important Notices

This Prospectus is dated 4 September 2026 and was lodged with ASIC on that date. Neither the ASX, ASIC nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Attaching Options the subject of this Prospectus should be considered speculative.

This Prospectus is a transaction specific prospectus for an offer of options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making the representations contained in this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters can reasonably be expected to be known to investors and professional advisers whom they may consult.

The Company is prohibited from processing Applications Forms during the Exposure Period. Application Forms received prior to the expiration of the Exposure Period will, therefore, not be processed until after the Exposure Period. No preference will be conferred on any Application Forms received during the Exposure Period and all Application Forms received during the Exposure Period will be treated as if they were simultaneously received on the date the Offer Opens. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of proceeds. That examination may result in the identification of deficiencies in this Prospectus, in which case any Application may need to be dealt with in accordance with Section 724 of the Corporations Act.

No Attaching Options will be issued pursuant to this Prospectus after the date that is 13 months after the date of this Prospectus.

Electronic prospectus

Participants can obtain a copy of this Prospectus from www.archerx.com.au. The electronic version of this Prospectus on the Company's website will not include an Application Form. Participants will only be entitled to subscribe for Attaching Options pursuant to the Offer in accordance with the instructions in the personalised Application Form which accompanies a paper copy of this Prospectus. Applicants will only be entitled to subscribe for Attaching Options in accordance with the instructions in the Application Form accompanying a paper copy of this Prospectus that is provided to them by the Company.

Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and do not believe that they have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Privacy

If you complete an Application Form, you will be providing personal information to the Company (directly or via the Share Registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of Attaching Options and facilitate the distribution of payments and corporate communications to you as a Shareholder or holder of Attaching Options.

The information may also be used and disclosed to persons inspecting the Company's register, bidders for your Shares in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its Share Registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Capitalised terms

Capitalised terms used in this Prospectus have the same meaning as those given in the Glossary contained in section 7 on page 26 of this Prospectus.

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Timetable

Event	Date[1]
Appendix 3B lodged with ASX	Friday, 3 July 2026
Prospectus lodged with ASX and ASIC	Friday, 4 September 2026
Offer Opens	Wednesday, 9 September 2026
Closing Date for applications pursuant to the Offer	Monday, 12 October 2026
Issue date	Monday, 19 October 2026
Holding statements dispatched to Applicants pursuant to the Offer	Friday, 23 October 2026

Notes:

1. Subject to the ASX Listing Rules and the Corporations Act, the Directors reserve the right to vary these dates.

Executive Chair’s Letter

Dear Participant,

On 3 July 2026, the Company announced a successful capital raising, comprising:

- a private placement to sophisticated and institutional investors, raising approximately $6.86 million at an issue price of $0.27 per Share (**Placement**);
- a private placement to Directors and the CEO to raise a further $140,000, on the same terms as the Placement, with Director participation conditional on Shareholder approval being obtained; and
- a share purchase plan offering eligible Shareholders the opportunity to acquire up to $30,000 worth of Shares at the same issue price as the Placement of $0.27 per Share, to raise up to a further $3 million (**SPP**),

(together, the **Capital Raising**).

Funds raised pursuant to the Capital Raising are intended to be used to support the Company’s quantum programs including IonQ client and project development, Quantum Machine Learning (QML) development and Qubit development, to support continued expenditure on development of the Company’s biochip and advanced materials technologies, and for general working capital expenses.

The Company also announced that, subject to obtaining Shareholder approval, Participants in the SPP would be entitled to apply for one (1) Attaching Option for every one (1) Share issued to them pursuant to the SPP, for nil additional consideration (**Offer**).

The Attaching Options have an exercise price of $0.35 per Attaching Option and are exercisable at any time prior to 5:00pm AEST on 30 June 2029.

Applicants for Attaching Options pursuant to this Prospectus should be aware that there are various risks associated with an investment in Attaching Options and the Company, including those risks briefly summarised in section 2 of this Prospectus. Accordingly, any potential investors should consult with their professional advisers before deciding whether to apply for any Attaching Options pursuant to this Prospectus.

The Board thanks all Shareholders for their continuing support for the Company and recommends the Offer.

Yours sincerely,

Greg English
Executive Chair
Archer Materials Limited

1. Investment Overview

1.1 The Offer

By this Prospectus the Company offers Participants in the SPP the opportunity to subscribe for one (1) Attaching Option for every one (1) Share issued to the Participant pursuant to the SPP, for nil consideration (**Offer**).

No funds will be raised from the issue of Attaching Options pursuant to this Prospectus as they are being issued for nil consideration.

Further details regarding the rights and liabilities attaching to the Attaching Options are contained in section 4 of this Prospectus. All of the Shares issued upon exercise of the Attaching Options offered in accordance with this Prospectus will rank equally with the existing Shares on issue as at the date of issue. Further details regarding the rights and liabilities attaching to the Shares are contained in section 4 of this Prospectus.

There is no minimum subscription amount in respect of the Offer.

1.2 No rights trading

The rights to subscribe for Attaching Options pursuant to this Prospectus are non-renounceable, which means that you cannot sell or transfer all or part of your Attaching Option entitlement.

1.3 Effect of the Offer on balance sheet

As the Attaching Options are being issued for nil consideration, the Offer will have no effect on the Company's cash position.

If the Offer is fully subscribed and all of the Attaching Options under the Offer are exercised, the Company will also receive a further $1.24 million on the exercise of those Attaching Options.

1.4 Effect of the Offer on capital structure

The principal effect of the Offer, assuming that the Offer is fully subscribed, is set out below:

Shares

Description	Number
Shares on issue before the date of this Prospectus	283,785,249
Shares to be issued pursuant to the Director and CEO Placement	518,521
Shares to be issued pursuant to the Offer	Nil
Shares on issue after completion of the Offer[1]	284,303,770

Notes:

1. These figures assume that no Performance Rights or Options are exercised between the Opening Date of the Offer and the date that the Attaching Options are allotted and issued to Applicants.

Performance Rights

Description	Number
Performance Rights on issue before the date of this Prospectus	2,114,960
Performance Rights to be issued pursuant to the Placement	Nil
Performance Rights to be issued pursuant to the Director and CEO Placement	Nil
Performance Rights to be issued pursuant to the Offer	Nil
Performance Rights on issue after completion of the Offer(1)	2,114,960

Notes:

1. These figures assume that no Performance Rights are exercised between the Opening Date of the Offer and the date that the Attaching Options are allotted and issued to Applicants.

Options

Description	Number
Options on issue before the date of this Prospectus AEXAG: Option expiring 30 June 2028, exercise price of $0.534	17,250,000
Options to be issued pursuant to the Placement	25,407,416
Options to be issued pursuant to the Director and CEO Placement	518,521
Options to be issued to the Lead Manager of the Placement	5,615,459
Options to be issued pursuant to the Offer	3,530,820
Options on issue after completion of the Offer(1)	52,322,216

Notes:

1. These figures assume that no Options are exercised between the Opening Date of the Offer and the date that the Attaching Options are allotted and issued to Applicants.

If the Offer is fully subscribed and all of the Attaching Options under the Offer are exercised, the Company will also receive a further $1.24 million on the exercise of those Attaching Options.

1.5 Effect of Offer on relevant interest of substantial security holders

As at the date of this Prospectus, there are no substantial shareholders in the Company with 5% or more interest in securities of the Company.

The issue of Attaching Options pursuant to the Offer will not have any effect on the relevant interests of any persons unless those Attaching Options are exercised.

1.6 Potential effect on control

The issue of the Options themselves will have no effect on the Control (as defined in section 50AA of the Corporations Act) of the Company.

However, if a Participant elects to exercise any Options issued to them, it will increase their overall percentage Shareholding.

Due to the restrictions contained in section 606 of the Corporations Act, no person will be able to exercise Options if to do so would result in their, or another person's, Voting Power increasing from 20% or below to more than 20%, or from a starting point above 20% to below 90%, unless Shareholder approval is obtained or another exception to the restrictions contained in section 606 of the Corporations Act applies (i.e. such as the creep provisions).

1.7 Dilution

The Attaching Options to be issued pursuant to this Prospectus will dilute Shareholders who are not Participants and do not subscribe for their full Entitlement pursuant to this Prospectus by approximately 1.23% (if the Offer is otherwise fully subscribed and all of the Attaching Options subsequently exercised).

1.8 Interests of Directors

The relevant interest of each of the Directors as at the date of this Prospectus, together with their respective Entitlements pursuant to the Offer, is set out in the table below:

	Current Relevant Interest			Entitlement to Attaching Options
Director	**Shares**	**Options**	**Performance Rights**	
Greg English	11,509,852	5,000,000	660,867	370,371
Andrew Just	Nil.	Nil.	Nil.	Nil.
Bernadette Harkin	Nil.	3,000,000	Nil.	74,075

1.9 Expenses of the Offer

The total expenses of the Offer are estimated to be approximately $30,000 (excluding GST).

1.10 Overseas shareholders

The offer of Attaching Options pursuant to this Prospectus does not, and is not intended to, constitute an offer or invitation in any place or jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer or to issue this Prospectus.

The SPP was only extended to Shareholders that were recorded in the Company's share register as having an address in Australia or New Zealand.

Accordingly, the Offer is not being extended, and no Attaching Options will be issued pursuant to the Offer, to Participants that are recorded in the Company's share register as having an address that is outside Australia and New Zealand.

The Prospectus is an Australian prospectus prepared under Australian law and is not a product disclosure statement prepared under New Zealand law. New Zealand law normally requires people who offer financial products to give information to investors before they invest. This requires those offering financial products to have disclosed information that is important for investors to make an informed decision.

No New Zealand product disclosure statement is being prepared and the Offer of Attaching Options is being extended to Participants that were recorded in the Company's share register as having an address in New Zealand as a 'small offer' under the *Financial Markets Conduct*

Act 2013 (NZ).

As a result, Participants that were recorded in the Company's share register as having an address in New Zealand may not be given all the information usually required under New Zealand law and will also have fewer other legal protections for this investment.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Participants that are resident in Australia and New Zealand that hold Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up any Entitlement pursuant to the Offer does not breach regulations in the relevant overseas jurisdiction. The return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

2. Risks

2.1 Introduction

The Attaching Options offered in accordance with this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend that potential investors consider the risk factors described below, together with information contained elsewhere in this Prospectus and otherwise disclosed to the ASX, and consult their professional advisers before deciding whether to apply for Attaching Options pursuant to this Prospectus.

In addition to the specific risks that relate directly to the Company, there are also other general risks, many of which are largely beyond the control of the Company and the Directors, that investors should consider. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of any Shares and/or Attaching Options issued pursuant to this Prospectus.

2.2 Company Specific Risks

(a) 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 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.

(b) Key Agreements

Development and potential commercialisation of the 12CQ quantum technology 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.

Development and potential commercialisation of the transaction with IonQ depend on the agreement with IonQ remaining in force. Termination of this agreement would mean that Archer would be unable to access or purchase an IonQ quantum computer.

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 or for IonQ to terminate the agreement with Archer.

(c) **Potential commercial viability of products**

The 12CQ and Biochip projects are in the research and development phase. Company staff and external consultants are in laboratories conducting experiments to determine if the materials underlying the technologies can perform as predicted. There is no guarantee that these experiments will be successful.

The Company has not yet commercialised any products and has no revenues. The Company's ability to commercialise the intellectual property and sell products to customers may be affected by many factors, including the commercial viability of, and potential delays in, the delivery of products and technology and the ability to find customers for the Company’s products. There is no certainty that the Company will be able to make and sell commercially viable products.

(d) **Commercial Partners**

The Company's growth strategy may be impacted if it is unable to find suitable commercialisation partners. The Company's due diligence processes and commercial negotiations may not be successful and a commercial partnership may not eventuate or if finalised may not perform to the level expected.

Through the agreement with IonQ, the Company has previously announced its intent to build a customer base in Australia to enable the Company to buy and build an IonQ quantum computer in Australia to establish sovereign quantum compute capability. There is no guarantee that Archer will be able to find suitable customers and partners needed to justify the purchase by the Company of an IonQ quantum computer.

(e) **Market Adoption risk**

Even if the Company successfully develops operational quantum or medical technologies, market acceptance is not guaranteed. Quantum computing is still an emerging field, and its applications are not yet fully integrated into mainstream commercial operations. Similarly, new medical diagnostic tools often face resistance from clinicians, health systems, or patients due to unfamiliarity, perceived complexity, or insufficient clinical validation.

If customers are hesitant to adopt new technologies, or if the Company fails to demonstrate clear benefits over incumbent solutions, the commercial potential of the product may be undermined. This risk is amplified in highly conservative or cost-sensitive sectors like healthcare, where new tools must not only work but also integrate seamlessly into existing systems and workflows.

(f) **Access to Funding**

The Company does not receive any income from its operating business, and the Company is reliant on capital raisings, Commonwealth Government research and development tax 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.

Any future capital raising could result in dilution to existing Shareholders, depending on the nature of the capital raising (whether it is via debt or equity).

Further, there is no guarantee that any future funding required by the Company would be available or on terms acceptable to the Company. If funding is not available on terms acceptable to the Company, it may need to scale back its quantum programs and advanced materials technologies development, which may impact adversely on the Company.

(g) **Infrastructure risk**

The Company faces infrastructure risks unique to quantum computing and biochip development. Quantum systems require specialised lab space to prevent small disturbances from heat, electromagnetic noise, or material imperfections, often meaning systems operate inside dilution refrigerators. Additionally, Biochip development involves various contamination risks that can ruin sensitive biological materials.

As a result, substantial power is consumed, and strict safeguarding mechanisms are needed, to maintain each systems respective environment. Any delay or failure to access properly maintained operating infrastructure exposes the Company to potential cost and capacity constraints, and may have a material adverse effect on the Company.

2.3 Industry Specific Risks

(a) **Key Personnel risk**

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 possible commercialisation. The Company's projects may be delayed or materially adversely affected if key personnel are not available to work.

(b) **Regulatory** and **Compliance risk**

For technologies in the medical and quantum fields, navigating complex and evolving regulatory environments is critical. Medical technologies, in particular, must meet strict safety, performance, and ethical standards before they can be sold or even tested in human trials. This includes approvals from regulatory bodies such as the Therapeutic Goods Administration (TGA) in Australia, the FDA in the United States, and relevant European agencies. Non-compliance or delays in obtaining approvals can stall product development and increase costs.

In the quantum sector, while regulation is less mature, increasing global attention on data security, cryptography, and dual-use technology may lead to new compliance challenges. Failure to meet these emerging regulatory obligations—or to anticipate them in the design and application of the technology—could limit market access or expose the company to fines and reputational damage.

(c) **Occupational health and safety risk**

Quantum computing and biotechnology environments may expose the Company's staff to potentially dangerous working environments. If any of the Company's employees suffered injury or death, compensation payments or fines may be payable and such circumstances could result in the loss of a licence or permit required to carry on the business.

(d) **Competition risk**

As a result of both high levels of demand and the need for specialised materials and vendors in the semiconductor and biotechnology industries, a shortage of supply of material, labour and services could impact adversely on the Company's research and development activities.

2.4 General investment risks

(a) **Economic Risk**

General economic conditions, movements in financial markets, global geo-political events, industrial disruption, interest and inflation rates and currency exchange rates may have an adverse effect on the Company's business and activities, as well as on its ability to fund those activities.

The Company's future possible profitability and the market price of the Company's securities (including the Shares underlying the Attaching Options can be affected by these factors which are beyond the control of its Directors).

(b) **Investing in securities and market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

(1) general economic outlook;

(2) interest rates and inflation rates;

(3) changes in investor sentiment toward particular market sectors;

(4) the demand for, and supply of, capital; and

(5) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for securities in general and semiconductor & semiconductor equipment securities in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

Once the Attaching Options are converted to Shares and are quoted on the ASX, their price may rise or fall and they may trade at prices below or above the Exercise Price. There can be no assurance that the Company's share price will rise, or remain, above the exercise price of the Attaching Options during their exercise period. There also can be no assurance that these Shares will be traded actively, nor that there will be a viable market for the Attaching Options on which an Applicant could sell their Attaching Options prior to their exercise.

(c) **Equity market conditions**

Securities listed on the stock market can experience extreme price and volume fluctuations that are unrelated to the operating performances of such companies. The market price of Shares may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. General factors that may affect the market price of Shares include economic conditions in both Australia and internationally (particularly Australian, US and Chinese economic conditions), investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

(d) **Liquidity Risk**

The Company has not applied to the ASX for Quotation of the Attaching Options. Therefore, no assurance can be given of the price at which Attaching Options will trade or that they will trade at all.

Additionally, while the Shares are currently admitted to ASX's official list, and the Company will apply for Quotation of any Shares issued on the exercise of the Attaching Options if still admitted to the official list at that time, no assurance can be given of the price at which Shares will trade or that they will trade at all.

Potential Applicants should, therefore, be prepared to hold their Shares, on exercise of Attaching Options, for extended periods pending the development of the Company's projects and potential opportunities emerging in the future. The market price of securities can fall, as well as rise, and may be subject to varied and unpredictable influences on the market for equities and, in particular, resources entities. Neither the Company nor the Directors provide any warranty as to the future performance of the Company or any return on an investment in the Company.

(e) **Information technology/privacy**

The Company relies heavily on its own computer systems and those of third party service providers to store and manage private and confidential information. A malicious attack on the Company's systems, processes or people from external or internal sources could put the integrity and privacy of the Company's data at risk. If the Company's efforts to combat any malicious attack are unsuccessful or the Company has actual or perceived vulnerabilities, the Company's business reputation and brand name may be harmed, potentially having a material adverse effect on the Company's operations and financial position.

2.5 Speculative investment

The above risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Attaching Options offered pursuant to this Prospectus and the underlying Shares into which they may convert.

Therefore, the Attaching Options to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Attaching Options or any Shares (if any) on exercise.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for any Attaching Options pursuant to this Prospectus.

3. Acceptance of Offer

3.1 Acceptance of Offer

Your acceptance of the Offer must be made on the Application Form accompanying this Prospectus.

You may accept all or part of your Attaching Option entitlement described in your personalised Application Form.

The Attaching Options are being issued for nil consideration and therefore **you are not required to pay any funds** with your Application Form. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for your maximum Entitlement.

You can only apply for Attaching Options if you were a Participant in the SPP and have received a personalised Application Form from the Company.

3.2 Enquiries concerning your Entitlement

If you have any queries concerning your Entitlement, please contact the Share Registry on telephone 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

4. Rights and liabilities of Attaching Options

One (1) Attaching Option will be issued for every one (1) Share issued to Participants pursuant to the SPP for no additional consideration. The Attaching Options will be issued on the following terms and conditions.

4.1 Exercise Price

Each Attaching Option entitles the holder to subscribe for one (1) Share on payment of the sum of $0.35 per Attaching Option (**Exercise Price**) to the Company.

4.2 Exercise Period and Expiry Date

The Attaching Options are exercisable at any time on a Business Day prior to 5:00pm (AEST) on 30 June 2029 (**Expiry Date**). Attaching Options not exercised by that date will lapse.

4.3 Notice of Exercise

Attaching Option holders will receive an exercise notice at the same time that they receive a holding statement in respect of the Attaching Options (**Exercise Notice**).

Holders may not exercise less than 5,000 Attaching Options at any one time, unless the holder has less than 5,000 Attaching Options, in which case they may do so provided they exercise all Attaching Options then held.

Attaching Options may be exercised at any time prior to 5:00pm (AEST) on the Expiry Date by the holder delivering a duly executed Exercise Notice to the Company's registered address, together with payment (in cleared funds) to the Company of the aggregate Exercise Price for the number of Attaching Options being exercised.

Attaching Options will be deemed to have been exercised at a time determined by the Company and in any event no earlier than the Company having received the aggregate Exercise Price (in cleared funds) in respect of the Attaching Options exercised in accordance with the Exercise Notice.

4.4 Shares Issued on Exercise of Attaching Options

Shares to be issued pursuant to the exercise of Attaching Options will be issued following receipt of all the relevant documents and payments (in cleared funds) and will rank equally with the then issued Shares.

Shares issued pursuant to the exercise of Attaching Options will have the same rights and liabilities as the Company's existing Shares on issue as at the date of the exercise of the Attaching Options. The full details of the rights attaching to Shares are set out in the Company's Constitution. A summary of the rights and liabilities attaching to the Shares as at the date of this Prospectus is set out in section 5 of this Prospectus.

4.5 Quotation of Attaching Options and Shares on Exercise

The Company has not applied to the ASX for Quotation of the Attaching Options. Accordingly, Attaching Option holders should be aware that there is unlikely to be a viable market for them and a sale or transfer of the Attaching Options will be difficult.

If the Company is still admitted to the ASX's official list at the time of exercise of Attaching Options, an application will be made at the time of the exercise of any Attaching Options for Quotation of the Shares to be issued upon exercise of Attaching Options.

4.6 Transfer

The holder of any Attaching Options may not transfer their Attaching Options without the written consent of the Company, which may be provided or withheld in its absolute discretion.

4.7 Participation Rights or Entitlements

There are no participating rights or entitlements inherent in the Attaching Options and holders will not be entitled to participate in new issues of securities offered to Shareholders during the term of the Attaching Options, except in their capacity as existing Shareholders.

4.8 Bonus Issues

If, prior to the expiry of the Attaching Options, the Company makes a bonus issue of Shares to Shareholders for no consideration, the number of Shares over which an Attaching Option is exercisable will be increased by the number of Shares which the holder would have received if the Attaching Option had been exercised before the relevant record date for calculating entitlements for the bonus issue.

4.9 Pro-Rata Issue

If, from time to time, prior to the expiry of the Attaching Options, the Company makes a pro-rata issue of Shares to shareholders, the exercise price of the Attaching Options will be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.

4.10 Capital reorganisation

If there is a reorganisation of the issued capital of the Company (including any consolidation, subdivision, reduction, or return of capital), the rights of the holder of Attaching Options shall be changed to the extent necessary to comply with the ASX Listing Rules at the time of the reorganisation.

4.11 Takeovers prohibition

(a) The issue of Shares on exercise of the Attaching Options is subject to and conditional upon the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and

(b) The Company will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Attaching Options.

4.12 No other rights

An Attaching Option does not give a holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

4.13 Amendments required by ASX

The terms of the Attaching Options may be amended as considered necessary or desirable by the Board in order to comply with the Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the Listing Rules, following such amendment, the economic and other rights of the holder are not diminished or terminated.

5. Rights and liabilities of underlying Shares

Shares issued on the exercise of Attaching Options will have the same rights and liabilities as the Company's existing Shares on issue as at the date of this Prospectus.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

A summary of the rights and liabilities attaching to the Shares is set out below. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

5.1 General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

5.2 Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of Shareholders or classes of Shareholders:

(a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

(b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and

(c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

5.3 Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the

Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

5.4 Transfer of Shares

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

5.5 Future increases in capital

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

5.6 Variation of rights

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

5.7 Rights on winding up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

5.8 Shareholder liability

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

5.9 Proportional takeover provisions

The Constitution contains provisions requiring member approval in relation to any proportional takeover bid, being an off-market takeover bid for a specified proportion of securities in the bid class.

The provisions must be renewed by a special resolution of members entitled to vote, three years from the date the provisions were adopted or last renewed, otherwise the provisions will cease to have effect.

5.10 Marketable Parcels

The Constitution includes provisions which entitle the Company to require that a Shareholder who holds less than a “marketable parcel” (as defined in the ASX Listing Rules) to increase its shareholding to a marketable parcel or notify the Company that it wishes to retain its Shares, failing which the Company will be authorised to sell the Shareholders’ Shares.

5.11 Alteration of Constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

6. Additional information

6.1 Allotment

Attaching Options issued pursuant to the Offer will be allotted in accordance with ASX Listing Rules and the timetable set out in this Prospectus.

Holding statements for Attaching Options issued pursuant to the Offer will be mailed to Applicants in accordance with ASX Listing Rules and timetable set out at the commencement of this Prospectus.

6.2 ASX listing

The Company has not applied, and will not apply, to the ASX for Quotation of the Attaching Options offered pursuant to this Prospectus.

An application will be made at the time of the exercise of any Attaching Options for Quotation of the Shares to be issued upon exercise of Attaching Options.

6.3 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings threatened against the Company which would have a material adverse effect on the Company.

6.4 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all ASX listed companies, the Company is required to immediately disclose to the market any information that a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

The Company ensures compliance with these obligations through the establishment of a formal ‘Continuous Disclosure and Communications Policy’, which establishes formal protocols for the notification and disclosure of information by the Company’s Directors, employees, consultants and contractors that may potentially be material. This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

As such, this Prospectus should be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity pursuant to the Corporations Act, advises that:

(a) it is subject to regular reporting and disclosure obligations;

(b) copies of documents lodged with ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC; and

(c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

    (1) the annual financial report most recently lodged by the Company with ASIC;

    (2) any half-year financial report lodged by the Company with ASIC after the lodgement of the annual financial report referred to in (1) and before the lodgement of this Prospectus with ASIC; and

    (3) any documents lodged by the Company with ASX pursuant to the continuous disclosure reporting requirements from 27 August 2026 to the date of this Prospectus.

Copies of all documents lodged with ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the time of the lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with ASIC are set out in the table below.

Date	Description of Announcement
27 August 2026	2026 Corporate Governance Statement and Appendix 4G
27 August 2026	Appendix 4E and 2026 Annual Report

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available at www.archerx.com.au.

6.5 Director interests

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the two years preceding lodgement of this Prospectus with ASIC, any interest in:

(a) the formation or promotion of the Company;

(b) any property acquired or proposed to be acquired by the Company in connection with:

    (1) its formation or promotion; or

    (2) the Offer; or

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

(a) as an inducement to become, or to qualify as, a Director; or

(c) for services provided in connection with:

(1) the formation or promotion of the Company; or

(2) the Offer.

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed $500,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table details the fixed compensation each Director received for the financial year ending 30 June 2025 and 30 June 2026 (including superannuation and excluding share-based payments), together with the current proposed remuneration for the 2027 financial year:

Director	Fixed Remuneration (incl. superannuation)		
	2025	2026	2027
Greg English Executive Chair	$431,012	$443,000	$460,720
Andrew Just[(1)] Non-Executive Director	Nil	$50,000	$90,000
Bernadette Harkin Non-Executive Director	$78,050	$85,167	$90,000

Notes:

1. Mr Just was appointed as a Non-Executive Director on 1 December 2025.

The table above excludes incentive payments and the expense associated with the value of performance rights and unlisted options that vested during the year.

Further details of the remuneration paid and payable to each Director of the Company, including incentive and share-based payments, are set out in the Company's annual report for the financial year ending 30 June 2026. A copy of this report can be accessed on the Company's website or on ASX webpage for the Company (ASX Code: AXE).

6.6 Market price of Shares

The Shares are Quoted on the ASX (ASX Code: AXE). The highest and lowest market sale prices of Shares on the ASX in the three months prior to 2 September 2026 and the respective dates of those sales were:

	Date	Price
Lowest Price	28 July 2026	$0.180
Highest Price	4 June 2026	$0.420

6.7 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

(a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;

(b) promoter of the Company; or

(c) underwriter to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the two years preceding lodgement of this Prospectus with ASIC, any interest in:

(a) the formation or promotion of the Company;

(d) any property acquired or proposed to be acquired by the Company in connection with:

(1) its formation or promotion; or

(2) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

(3) the formation or promotion of the Company; or

(4) the Offer.

6.8 Consents

Each of the persons referred to in this section:

(a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and

(b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Computershare Investor Services Pty Limited has given its written consent to being named as the Share Registry. Computershare Investor Services Pty Limited has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

6.9 Clearing House Electronic Sub Register System (CHESS) and Issuer Sponsorship

The Company will not be issuing share certificates. The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares allotted to them pursuant to this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

6.10 Taxation

The taxation consequences arising from an investment in any Attaching Options will depend on the particular circumstances of each Applicant and it is the responsibility of all Applicants to satisfy themselves of the taxation treatment that apply to them by consulting their own professional tax advisers.

6.11 Enquiries

Any questions concerning the Offer should be directed to the Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

6.12 Authorisation

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Greg English
Executive Chair
Archer Materials Limited

7. Glossary

$	means the lawful currency of the Commonwealth of Australia.
AEST	means Australian Eastern Standard Time.
Applicant	means a Participant in the SPP who applies for Attaching Options pursuant to the Offer.
Application Form	means an entitlement and acceptance form in the form accompanying a paper copy of this Prospectus, pursuant to which Participants may apply for Attaching Options pursuant to the Offer.
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited ACN 008 624 691 or the financial market operated by it (as the context requires).
ASX Listing Rules	means the listing rules of ASX.
ASX Settlement Operating Rules	means the settlement rules of the securities clearing house which operates CHESS.
Attaching Options	means Options to subscribe for Shares on the payment of the exercise price of $0.35 at any time prior to 5:00pm AEST on 30 June 2029, the terms of which are contained in section 4 of this Prospectus.
Board	means the board of Directors unless the context indicates otherwise.
Business Day	means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.
CHESS	means the ASX's clearing house electronic subregister system.
Closing Date	means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).
Company	means Archer Materials Limited ACN 123 993 233.
Constitution	means the constitution of the Company as at the date of this Prospectus and as amended from time to time.
Corporations Act	means the *Corporations Act 2001 (Cth).*
Directors	means the directors of the Company as at the date of this Prospectus.
Director and CEO Placement	means the placement of Shares to the Participating Directors and the Company's CEO (Dr Simon Ruffel), with the issue of Shares to the Participating Directors having been approved by Shareholders on 18 August 2026.
Entitlement	means the entitlement of a Participant pursuant to the Offer.
Exposure Period	means the period commencing on the date that this Prospectus is lodged with ASIC and ending seven days later or the date to which ASIC extends such period.

Offer	means the offer to Participants to subscribe for Attaching Options contained in this Prospectus.
Options	means options to subscribe for Shares.
Participant	means an eligible Shareholder who applied for, and was issued, Shares pursuant to the SPP.
Participating Directors	means each of Mr Greg English and Ms Bernadette Harkin, all of whom have agreed to subscribe for Shares and Options pursuant to the Director and CEO Placement.
Placement	means the Share placement of Shares to sophisticated, professional and institutional investors announced by the Company on 3 July 2026.
Prospectus	means this prospectus, as supplemented or amended from time to time in accordance with the Corporations Act.
Quotation	means official quotation of the Shares on ASX and the term 'Quoted' has a corresponding meaning.
Share	means a fully paid ordinary share in the capital of the Company.
Share Registry	means Computershare Investor Services Pty Ltd.
Shareholder	means a holder of a Share.
SPP	means the Company's share purchase plan dated 10 July 2026.

8. Corporate Directory

Directors

Greg English (Executive Chair)
Bernadette Harkin (Non-Executive Director)
Andrew Just (Non-Executive Director)

Company Secretary

Jacob van der Hoek

Share Registry

Computershare Investor Services Pty Limited
Level 5, 115 Grenfell Street
Adelaide SA 5000

Telephone: 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia)

Website: www.computershare.com

Registered office

Lot Fourteen, Frome Road
Adelaide SA 5000

Telephone: +61 8 8272 3288

Email: enquiry@archerx.com.au
Website: https://www.archerx.com.au

Lawyers

Piper Alderman
Level 26, Riparian Plaza
71 Eagle Street
Brisbane QLD 4000