

ASX Announcement ([ASX: AXE](#))

20 August 2021

Response to media speculation

Archer Materials Limited ("[ASX: AXE](#)", "the Company") refers to the media article in yesterday's The Australian Financial Review originally titled "Archer Materials hid Australian patent body's objections" and later titled "Archer Materials didn't disclose Australian patent body's objections" ("media article"). The media article relates to the Company's ¹²CQ quantum computer chip ("¹²CQ chip") related patents and patent applications.

The media article states that the ¹²CQ chip related patent application in Australia was "knocked back" by IP Australia, which implies that the patent application was rejected. The patent application has not been rejected and it is still active. The formal term for the status of the ¹²CQ chip related patent application in Australia remains *filed* and, importantly, the patent application has not *lapsed* and has not been *refused*.

On 11 February 2021, an examination report from IP Australia was issued requesting additional information and some other minor corrections and clarifications to the ¹²CQ chip related patent application in Australia. The issues raised in the examination report are known as '*objections*' and the Company has until 11 February 2022 to provide the information and clarifications requested. [IP Australia](#) explains the process to be followed by applicants when responding to an '*objection*'.

It is not unusual for patent examiners in different countries to issue examination reports and request clarifications and additional information. The commencement of the patent application review by the National Office and issuing of an examination report is known as a First Office Action. On 1 March 2021 the Company announced to ASX that "First Office Actions ("FOAs") have been received from Patent Offices of the United States of America, China, and Australia.

The overarching inference of the media article is that Archer failed to comply with its statutory and Listing Rule obligations by not disclosing information to the market that it was required to disclose. For the reasons outlined above, namely the routine nature of such objections, this is incorrect.

Archer will continue to update the market in accordance with its continuous disclosure obligations.

Errors in the media article

The media article states that "On July 29, director Alice McCleary announced her intention to resign by its August 30 AGM". This is incorrect, as August 30 is the date of Archer's general meeting seeking Archer shareholder approval to the sale of the Company's mineral exploration business. The first sentence of the 29 July ASX announcement clearly states that "Dr Alice McCleary, a founding director of the Company, will be retiring as a director at the 2021 Annual General Meeting ("AGM")", and not at the upcoming general meeting.

The media article exclusively addresses Archer's ¹²CQ chip related patent application process and says that on 16 August 2021 the Company "told investors its patent application in the US had progressed a stage further to the national phase of the patent granting procedure". The announcement dated 16 August 2021 was titled "Biochip patent application enters national phase" and clearly refers to Archer's biochip technology related patent application.

About Archer

Archer is a technology company that operates within the semiconductor industry. The Company is developing and commercialising advanced semiconductor devices, including chips relevant to quantum computing and medical diagnostics.

The Board of Archer authorised this announcement to be given to ASX.

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