

# Archer Exploration Announces Marketed Private Placement of a Minimum of \$10 Million and Provides Transaction Update

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VANCOUVER, BC, Oct. 20, 2022 /CNW/ - Archer Exploration Corp. (CSE: RCHR) ("**Archer**") is pleased to announce that it has engaged Canaccord Genuity Corp. and a syndicate of agents to be appointed (the "**Agents**") to market a private placement of special warrants for aggregate gross proceeds of a minimum of \$10,000,000 (the "**Offering**"). Archer is also pleased to provide an update on its proposed acquisition of certain nickel assets, rights and obligations located in Quebec and Ontario from Wallbridge Mining Company Limited ("**Wallbridge**").

## The Offering

The Agents will market, on a best efforts basis, a private placement of special and flow-through special warrants of Archer (collectively the "**Offered Securities**") for aggregate gross proceeds of a minimum of \$10,000,000. The Offering will be priced in the context of the market with the final terms of the Offering to be determined at the time of pricing. In addition, Archer will grant to the Agents an option, exercisable in whole or in part at any time up to two days prior to closing of the Offering, to offer an additional number of Offered Securities representing 15% of the Offering, on the same terms as the Offering.

The net proceeds of the Offering will be used for exploration and development of the Nickel Assets (as defined below) and for working capital purposes. The closing of the Offering is anticipated to occur immediately prior to or contemporaneously with the closing of the Acquisition (as defined below), which is expected to be on or about November 15, 2022 (the "**Closing Date**") and is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory approvals, including the acceptance of the Canadian Securities Exchange.

Each Offered Security will be automatically exercised into equity securities of the Company (the "**Underlying Securities**") on the date that is the earlier of: (i) the date that is three business days following the date on which the Company obtains a receipt (the "**Final Receipt**") from the British Columbia Securities Commission for a short form prospectus (the "**Qualification Prospectus**"), qualifying the distribution of the Underlying Securities and (ii) the date that is 4 months and one day following the Closing Date. The Offered Securities (and the Underlying Securities) will be subject to a hold period in Canada of four months and a day as set out in National Instrument 45-102 - *Resale of Securities* which hold period commences on the Closing Date. In the Qualifying Jurisdictions, the hold period will expire on the issuance of the Final Receipt.

As disclosed in Archer's news release dated July 13, 2022, Archer has entered into an asset purchase agreement with Wallbridge pursuant to which Archer will acquire (the "**Acquisition**") certain nickel assets, rights and obligations located in Quebec and Ontario (collectively, the "**Nickel Assets**") from Wallbridge. As a condition precedent to the closing of the Acquisition, Archer is required to complete an equity financing for gross proceeds of at least \$10,000,000.

The Offered Securities will be offered by way of private placement exemptions in each of the

provinces of Canada, other than Quebec, and in the United States on a private placement basis pursuant to exemptions from the registration requirements of the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"). The securities being offered have not been and will not be registered under the U.S. Securities Act and may not be offered or sold in the United States, or to, or for the account or benefit of, U.S. persons or persons in the United States, absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

## **CSE Approval**

On October 12, 2022, Archer received conditional approval from the Canadian Securities Exchange (the "**CSE**") to complete the Acquisition, which is considered a "Fundamental Change" of Archer within the meaning of the policies of the CSE. Trading of Archer's common shares remains halted on the CSE pending completion of the Acquisition and the issuance of the CSE's final exchange bulletin confirming the CSE's conditions for listing are satisfied.

## **Shareholder Approval**

On October 12, 2022, Archer held a special meeting of shareholders at which the shareholders approved the appointment of six directors to Archer's board of directors, subject to completion of the Acquisition and a new omnibus incentive plan. Additional details regarding the proposed directors of Archer and the new omnibus incentive plan can be found in Archer's information circular, which is available on SEDAR at [www.sedar.com](http://www.sedar.com).

## **Cautionary Note Regarding Forward-Looking Statements**

Neither the CSE nor its Market Regulator (as that term is defined in policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.


The information contained herein contains "forward-looking statements" within the meaning of applicable securities legislation. "Forward-looking information" includes, but is not limited to, statements with respect to the activities, events or developments that Archer expects or anticipates will or may occur in the future. Generally, but not always, forward-looking information and statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or the negative connotation thereof or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative connotation thereof. These forward-looking statements or information may relate to: obtaining the final terms of the Offering, including the type and the price of the Offered Securities; required regulatory approvals and fulfilling other closing conditions related to the Offering; closing of the Offering and the Closing Date; the use of the proceeds raised from the Offering; the exercise of the Agents' Option; completion of the Acquisition; filing of the Qualification Prospectus; issuance of the Final Receipt, the appointment of new directors; and the re-commencement of trading of Archer's common shares on the CSE.

Such forward-looking information and statements are based on numerous assumptions, including among others, that the results of planned exploration activities are as anticipated, the anticipated cost of planned exploration activities, that general business and economic conditions will not change in a material adverse manner, that financing will be available if and when needed and on reasonable terms, that third party contractors, equipment and supplies and governmental and other approvals required to conduct Archer's planned exploration activities will be available on reasonable terms and in a timely manner. Although the assumptions made by Archer in providing forward-looking information or making forward-looking statements are considered reasonable by management at the time, there can be no assurance that such assumptions will prove to be accurate.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors and risks include, among others: that there is no assurance that the parties hereto will obtain the requisite shareholder and regulatory approvals for the Acquisition, and there is no assurance that the Acquisition will be completed as anticipated, or at all; there is no assurance that any proposed financings will be completed or as to the actual offering price or gross proceeds to be raised in connection with such financings; following completion of the Acquisition, Archer may require additional financing from time to time in order to continue its operations which may not be available when needed or on acceptable terms and conditions acceptable to Archer; compliance with extensive government regulation; domestic and foreign laws and regulations could adversely affect Archer's business and results of operations; the stock markets have experienced volatility that often has been unrelated to the performance of companies and these fluctuations may adversely affect the price of Archer's securities, regardless of its operating performance; the impact of COVID-19; the ongoing military conflict in Ukraine, and other risk factors set out in Archer's public disclosure documents.

The forward-looking information contained in this news release represents the expectations of Archer as of the date of this news release and, accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. Archer does not undertake any obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

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