

ASX Announcement (ASX: AXE)

11 January 2021

Australian Semiconductor Sector Study

Archer Materials Limited ("Archer", the "Company") ("ASX: AXE") is pleased to inform shareholders that the Office of the NSW Chief Scientist & Engineer has published a comprehensive independent report, titled Australian Semiconductor Sector Study: Capabilities, opportunities and challenges for NSW's meaningful participation in the global semiconductor value-chain[†] ("Scoping Study"). Archer contributed to the development of the Scoping Study, together with other semiconductor sector leaders.

The Company encourages shareholders and investors to read the Scoping Study as it examines the global semiconductor market size and current and future trends, analyses NSW and Australian performance and capabilities to date, offers recommendations on what is needed for the sector's constituents in NSW to successfully accelerate their participation in the high value high-tech semiconductor industry, and prospective global market opportunities where Australian companies may hold a leading position, for example in Quantum Computing.

The Scoping Study identifies the largest areas of opportunity for the scaleup of companies, such as Archer, in the global semiconductor industry. These areas include enhancing domestic capability in semiconductor design, fabrication and prototyping. In particular, as it relates to the commercial translation of advanced materials and quantum computing technology.

The Scoping Study presents a positive long-term outlook for the potential of increased participation by companies such as Archer in the global semiconductor sector. Archer's current areas of strength and strategic significance across the semiconductor value chain is reported to include securing high-impact intellectual property in global markets and chip development.

The global semiconductor industry is one of the world's largest

Archer operates within the semiconductor industry. Semiconductors are commonly referred to as 'chips', and enable almost all technology applications. The Scoping Study values the global market for manufacturing chip devices at US\$400+ billion and by some estimates is forecast to reach US\$1 trillion by 2030. Chips currently address end markets valued at US\$4+ trillion, that include processor, memory, and sensor devices.

About ¹²CQ

¹²CQ is a world-first qubit processor chip technology that Archer aims to build for quantum computing operation at room-temperature and integration onboard modern electronic devices. For more information, please view Archer's <u>webinar</u> with IBM[‡].

About Archer

A materials technology company developing innovative deep tech in quantum computing, biotechnology, and reliable energy. The Company has strong intellectual property, world-class in-house expertise, a unique materials inventory, and access to Tier 1 technology development infrastructure.

[†] https://www.chiefscientist.nsw.gov.au/independent-reports/australian-semiconductor-sector-study

^{*} Archer's webinar with IBM: https://www.youtube.com/watch?v=uh3NdY1lnpo



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

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