

ASX ANNOUNCEMENT

9 July 2014

## NEW EXPLORATION PERMIT AT MOUNT GARNET

- **ARX has been granted a new exploration permit in the Mount Garnet mining district of Far North Queensland**
- **Located close to the optioned mining tenement package that includes the Triple Crown gold deposit**
- **The new exploration area contains the same package of rocks that hosts Triple Crown and has potential for the discovery of additional gold resources**

Arc Exploration Limited (ASX Code: ARX) is pleased to announce that it was recently granted a new exploration permit (EPM 25343) in the Mount Garnet mining district of Far North Queensland, Australia.

Managing Director, Dr. Jeff Malaihollo, commented:

*"This is a strategic step toward establishing a stronger ground position in the highly prospective Mount Garnet mineral district in which we already hold an option to joint venture into a mining tenement package owned by Snowmist Pty Ltd that contains the Triple Crown gold breccia deposit. The new exploration permit is located close to these mining tenements. Our initial work program will include a more detailed literature search on previous exploration and a ground assessment to confirm the potential of the area for additional gold resources."*

The new exploration permit, EPM 25343, comprises 6 discontinuous sub-blocks (approximately 6 square-kilometres) and is located close to a package of mining leases held by Snowmist Pty Ltd ("Snowmist") on which ARX has previously announced that it has an Option to Joint Venture.

The Triple Crown gold deposit, which occurs in one of the optioned mining leases held by Snowmist, is located within one kilometre of the newly granted exploration permit.

The new exploration permit is believed to contain the same package of rocks that is host to Triple Crown and may be prospective for additional gold resources and other metals including tin and base metals.

ARX intends to undertake an initial program of surface prospecting and rock chip sampling.

## Background on the Mount Garnet Project

The **Mount Garnet** Project, located near the major regional centre of Cairns, comprises three Mining Leases (ML's) covering about 150 hectares that are 100% held by Snowmist Pty Ltd ("Snowmist").

The project lies in the Mount Garnet tin-base metal mining subdistrict of the Herberton Tinfield and at the southern end of a belt of Siluro-Devonian metasedimentary rocks intruded by Permo-Carboniferous granites that are host to the large Mungana/Red Dome gold-base metal skarn, quartz-stockwork and breccia deposits in the Chillagoe mining district, located about 100 km to the northwest of Mount Garnet.

One of the mining leases contains the 69,000-ounce *Triple Crown* gold deposit (see ASX announcement of 21<sup>st</sup> August 2013) on which historic drilling has produced some broad low-grade gold intercepts including 22m at 2.33 g/t gold, 51m at 1.73 g/t gold and 35m at 1.39 g/t gold.

*Triple Crown* is a pipe-like gold-breccia and stockwork deposit that has only been drilled to shallow depth (<200m) and is believed to be open at depth. Several surrounding gold prospects have also been identified. The Company believes that there is significant potential for discovering additional gold resources through further exploration.

For further information please contact:

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### ***Competent Person Statement***

The information in this announcement that relates to Exploration Results is based on information compiled by Mr Brad Wake, BSc (Applied Geology), who is a member of the Australian Institute of Geoscientists. Mr Wake has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activity which is being undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Wake is a full time employee of Arc Exploration Limited and consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the Triple Crown gold resource is extracted from the report entitled Mount Garnet Project - Statement of Resources created and released to the ASX on 21 August 2013.

The reports referred to above are available to view on the Company's website: [www.arcexploration.com.au](http://www.arcexploration.com.au) The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

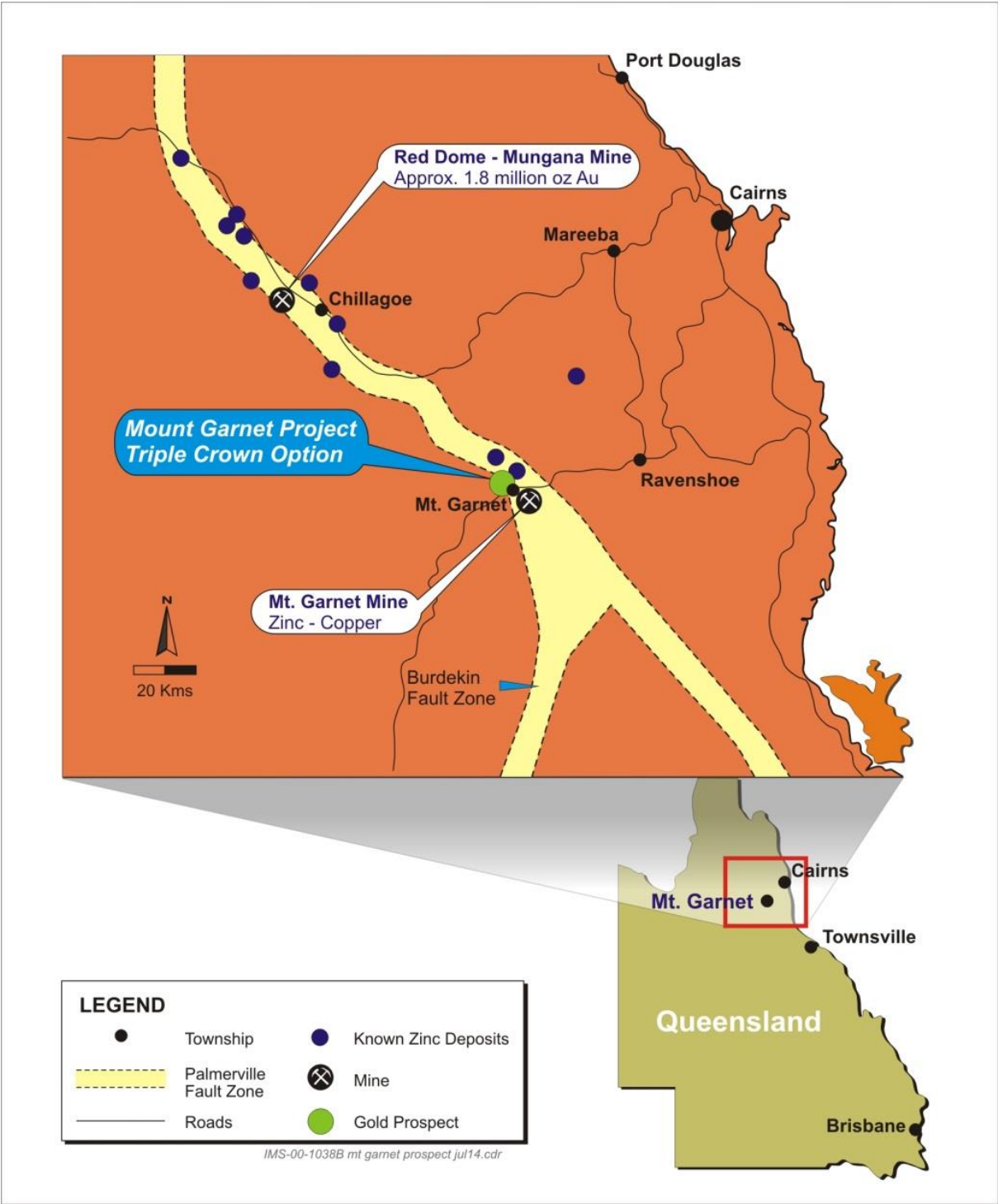
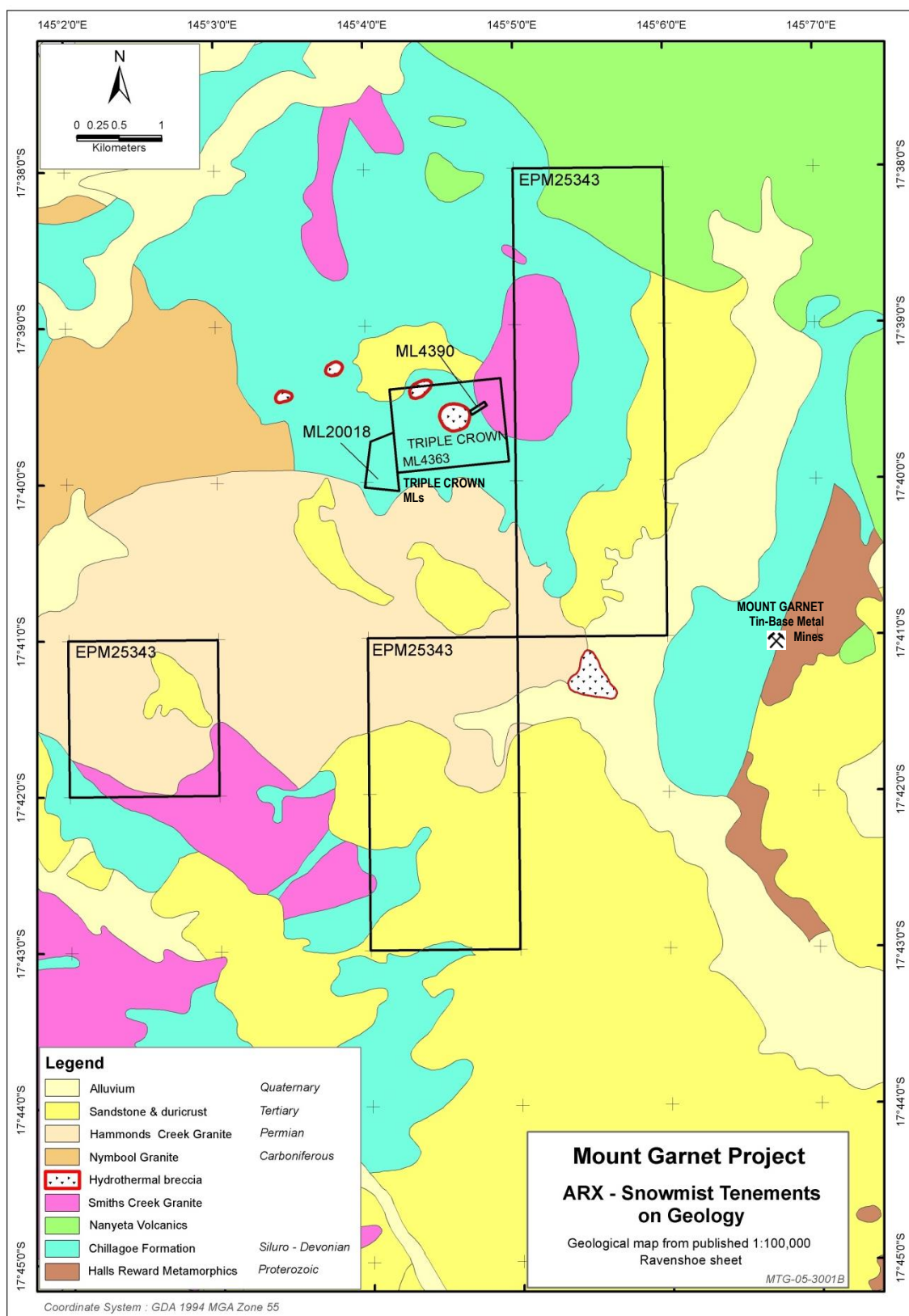


Figure 1. Location of Mount Garnet Project



**Figure 2. Location of EPM 25343 & Triple Crown**