

**ANGLO AMERICAN NOT PROCEEDING WITH WEST PAPUAN TENEMENTS  
AND WITH FURTHER EXPLORATION AT TRENGGALEK IN EAST JAVA**

Arc Exploration Limited has been verbally advised by Anglo American that it will not proceed with the three tenements located in the Province of West Papua, Indonesia, or with further exploration at the Company's Trenggalek Project in East Java. The Company has not yet received formal notification from Anglo American.

**PAPUAN TENEMENTS**

Subject to receipt of formal notification from Anglo American, Arc Exploration will have the right to move from a 20% carried interest to a 100% interest in the three tenements in West Papua. Arc is now considering its options with regards to these tenements.

**JOINT VENTURE – TRENGGALEK PROJECT, EAST JAVA**

Subject to receipt of formal notification from Anglo American, the Company will retain a 95% interest in the Trenggalek project. A detailed aeromagnetic study and reconnaissance drilling (5 holes for a total of 2,564m) were undertaken pursuant to the joint venture, and the Company believes the Trenggalek project has significant porphyry potential and is substantially underexplored. Arc will continue exploration at Trenggalek to assess prospects identified to date and aims to delineate drill targets in the coming months while it also considers joint venture options in respect of this project.

For further information please contact:

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