

# Appendix 3Y

## Change of Director's Interest Notice

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 30/09/01 Amended 01/01/11

<b>Name of entity</b>	<b>ARC EXPLORATION LIMITED</b>
<b>ABN</b>	<b>48 002 678 640</b>

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

<b>Name of Director</b>	BRUCE JAMES WATSON
<b>Date of last notice</b>	20 June 2014

### Part 1 - Change of director's relevant interests in securities

*In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust*

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

<b>Direct or indirect interest</b>	Direct and Indirect.
<b>Nature of indirect interest (including registered holder)</b> Note: Provide details of the circumstances giving rise to the relevant interest.	Oblique Pty Limited ATF Watson Superannuation No 2 Fund as registered holder. Bruce Watson is a director of the Trustee of the Fund.
<b>Date of change</b>	11 December 2014
<b>No. of securities held prior to change</b>	13,349,907 Ordinary Shares (Indirect) 656,333 Ordinary Shares (Direct) 3,328,766 Unlisted 11 Dec 2014 Options @ 3.6c (Direct) 2,055,000 Unlisted Exp 27 May 2016 Options @4.2c (Direct). 5,405,145 – Unlisted Exp 31 Dec 2018 Options @ 0.9 cents
<b>Class</b>	Unlisted 11 Dec 2014 Options @ 3.6c
<b>Number acquired</b>	0
<b>Number disposed</b>	3,328,766 (Lapsed – not exercised)

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+ See chapter 19 for defined terms.

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<b>Value/Consideration</b> Note: If consideration is non-cash, provide details and estimated valuation	NIL
<b>No. of securities held after change</b>	13,349,907 Ordinary Shares (Indirect) 656,333 Ordinary Shares (Direct) 2,055,000 Unlisted Exp 27 May 2016 Options @4.2c (Direct). 5,405,145 – Unlisted Exp 31 Dec 2018 Options @ 0.9 cents
<b>Nature of change</b> Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Options lapsed unexercised.

### Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of “notifiable interest of a director” should be disclosed in this part.

<b>Detail of contract</b>	N/A
<b>Nature of interest</b>	
<b>Name of registered holder (if issued securities)</b>	
<b>Date of change</b>	
<b>No. and class of securities to which interest related prior to change</b> Note: Details are only required for a contract in relation to which the interest has changed	
<b>Interest acquired</b>	
<b>Interest disposed</b>	
<b>Value/Consideration</b> Note: If consideration is non-cash, provide details and an estimated valuation	
<b>Interest after change</b>	

### Part 3 – +Closed period

<b>Were the interests in the securities or contracts detailed above traded during a +closed period where prior written clearance was required?</b>	No
<b>If so, was prior written clearance provided to allow the trade to proceed during this period?</b>	N/A
<b>If prior written clearance was provided, on what date was this provided?</b>	N/A

12 December 2014

+ See chapter 19 for defined terms.