



ASX ANNOUNCEMENT

3 June 2011

John Carlile – Expiry of ARXOA Options

Please find attached an Appendix 3Y for Mr. John Carlile relating to the expiry of ARXOA Options on 31 January 2011.

The Appendix 3Y for Mr. John Carlile which was lodged with the ASX on 25 January 2011 confirmed that Mr. Carlile had exercised 4,231,445 ARXOA options. This left Mr. Carlile with a balance of 1,246,405 ARXOA options which were not exercised.

ARXOA options expired 31 January 2011.

The attached notice is to reflect the expiry of the 1,246,405 ARXOA options on 31 January 2011 which Mr. Carlile had not exercised.

For further information please contact:

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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

Name of entity	ARC EXPLORATION LIMITED
ABN	48 002 678 640

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.

Name of Director	JOHN C. CARLILE
Date of last notice	2 June 2011

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.

Direct or indirect interest	Direct and Indirect
Nature of indirect interest (including registered holder) <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small>	Registered Holder HSBC Custody Nominees (Australia) Limited on behalf of John C. Carlile
Date of change	31 January 2011
No. of securities held prior to change	19,679,593 Ordinary Shares (Indirect) 73,511 ARXO Options (Indirect) <u>1,246,405 ARXOA Options (Indirect)</u> <i>(reinstated from Appendix 3Y dated 25 January 2011)</i> 9,986,298 Unlisted 11 Dec 2014 Options @ 3.6 c 6,165,000 Unlisted Exp 27 May 2016 Options @ 4.2 c
Class	ARXOA Options
Number acquired	Nil
Number disposed	Nil

+ See chapter 19 for defined terms.

Appendix 3Y Change of Director's Interest Notice

Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	Nil
No. of securities held after change	19,679,593 Ordinary Shares (Indirect) 73,511 ARXO Options (Indirect) 9,986,298 Unlisted 11 Dec 2014 Options @ 3.6 c 6,165,000 Unlisted Exp 27 May 2016 Options @ 4.2 c
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	ARXOA Options Expired 31 January 2011.

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.

Detail of contract	Loan Agreement
Nature of interest	A Loan in the amount of US\$152,300.00 which may be repaid in part or in full by the Company issuing shares at a discount to market on the repayment date. The loan matures 31 March 2012.
Name of registered holder (if issued securities)	
Date of change	N/A
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	
Interest acquired	
Interest disposed	Nil
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	N/A
Interest after change	N/A

+ See chapter 19 for defined terms.

Part 3 – +Closed period

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

This notice is dated 3 June 2011

+ See chapter 19 for defined terms.