



ASX ANNOUNCEMENT

2 JANUARY 2012

TEMPORARY SUSPENSION OF BIMA EXPLORATION LICENSE

ARC Exploration Limited (ASX Code: ARX) has now been advised that the exploration license held by its Indonesian partner, PT Sumber Mineral Nusantara (PT SMN), in the Bima Regency of east Sumbawa has been temporarily suspended by the Regent of Bima. The temporary suspension is effective from 23 December 2011 for a period of one year.

As previously advised exploration activities at Bima have been halted.

ARX and its Indonesian partner remain in full compliance with all legal and regulatory license requirements and will continue to seek a resolution to the current situation.

ARX will promptly update the market with any material information as it comes to hand.

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