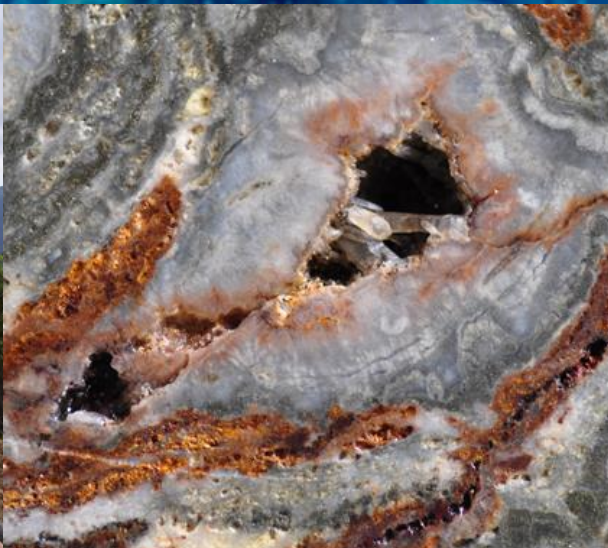




Investor Presentation

October 2013



Investment Proposition

- Copper-gold explorer in Asia Pacific concentrating on high impact epithermal gold and porphyry copper-gold deposits
- Team with over 30 years presence in Indonesia, 3 major discoveries, and extensive business contacts and cultural expertise
- Exciting, well balanced portfolio including 2 Anglo American fully funded joint ventures
- High grade gold project with Anglo American spending up to \$20 million testing additional copper potential
- \$4m market cap, \$2.7m cash, \$141m accumulated losses
- Drilling commenced and exploration work on going
- Huge upside potential

Corporate Profile

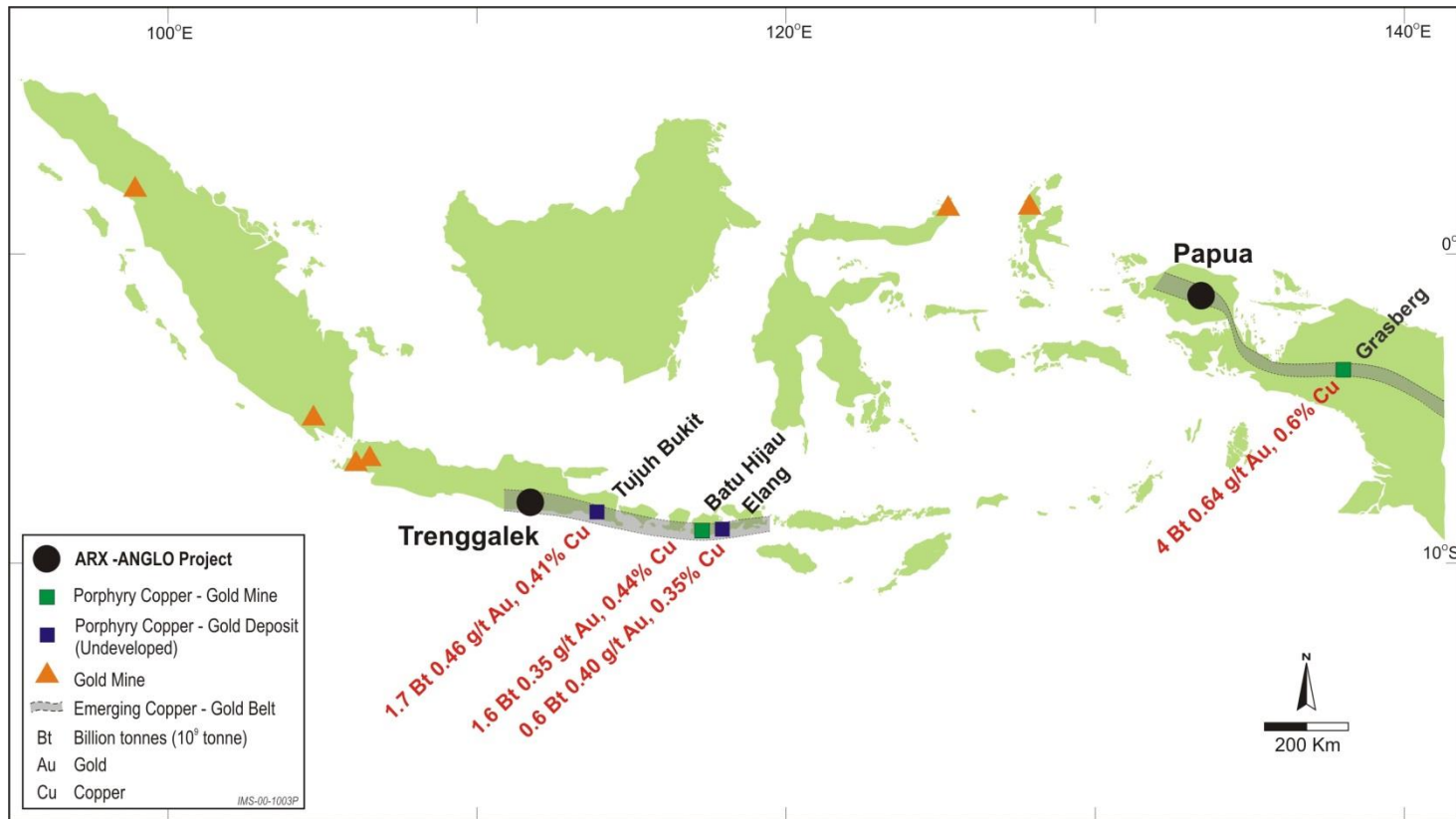
- ASX Code: ARX
- Shares outstanding 916.5 million
- Major shareholders:
 - Directors and Management 6.5%
 - Southo Investments Ltd 6.2%
 - ANZ Bank 5.2%

"We combine entrepreneurial flair with strong management skills and depth of relationships in Indonesia. We have a culture of drive and enthusiasm for delivering results, without compromising on quality, whilst respecting all stakeholders. With our talented and committed staff, Arc Exploration can deliver strong results over the medium-term."

ARC knows Indonesia

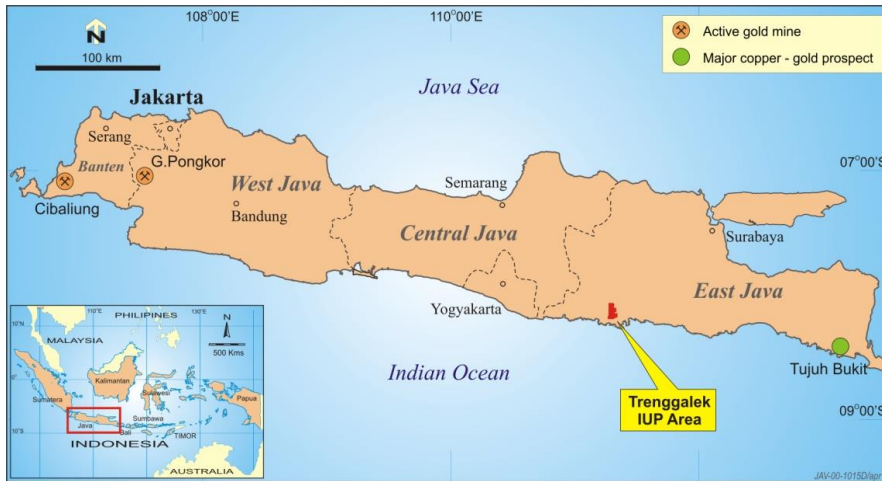
- **Bruce Watson** – *Chairman*. MD of Cubic Corporate Advisory. Previously Head of Corporate Advisory & Equities at Westpac Bank. Founding director of Grant Samuel & Assoc.
- **Jeff Malaihollo** – *Managing Director*. PhD Geology (London), Indonesian, former mining analyst in London and former MD of GGG Resources/Bullabulling Gold.
- **John Carlile** – *Non Executive Director*. Geologist and previous MD of ARC with over 35 years experience including 25 years in Indonesia. Led Newcrest through the discovery of the Gosowong District.
- **George Tahija** – *Non Executive Director*. Prominent Indonesian businessman with extensive interests in the agribusiness. Former commissioner of Freeport Indonesia.
- **Robert Willcocks** - *Non Executive Director*. Former senior partner with Mallesons Stephen Jaques, a major Australian law firm. Mr. Willcocks represented clients in energy and mining sectors for over 30 years.
- **Brad Wake** – *Exploration Manager*. Geologist with over 25 years experience including 15 years in Indonesian experience including leading the discovery of the Toka Tindung gold deposit.
- **Cahyono Halim** – *CFO*. Indonesian medical doctor and MBA. Over 20 years finance experience in Indonesia and Singapore with Citibank, ANJ Group and Pearl Energy.

Indonesia – World Class Targets

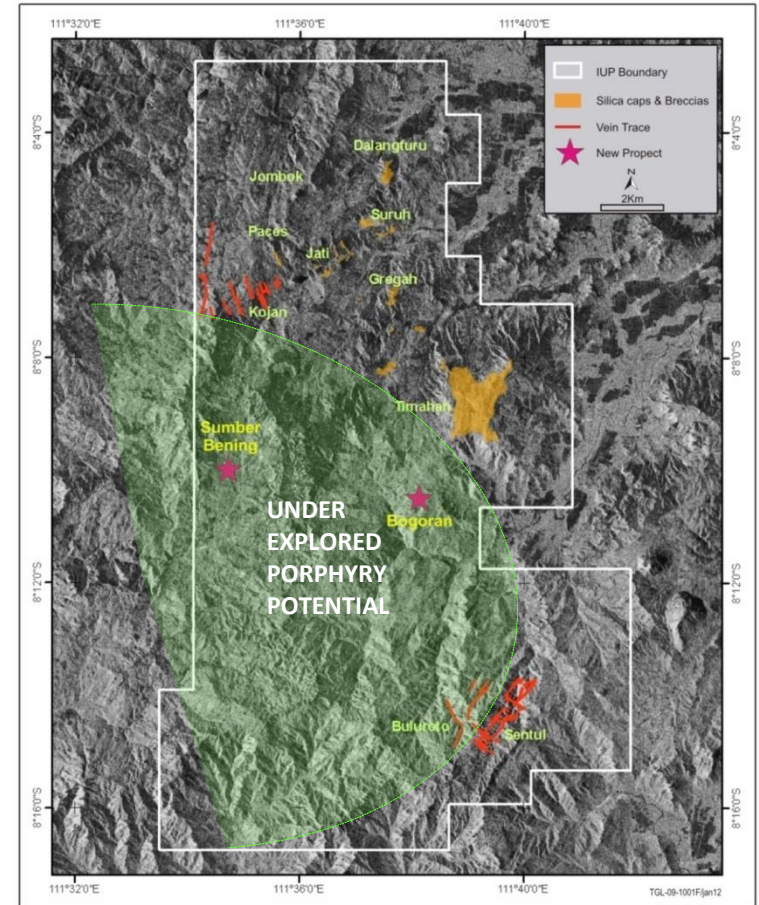


- Two key projects located in two of the most fertile magmatic arcs
- Exploration fully funded through JV/Alliance with Anglo American
- Trenggalek – Anglo American earning 51% by spending \$10m, 75% by spending another \$10m; ARX free carried to end of pre-feasibility
- Papua – ARC has 20% carried interest until decision to mine

Trenggalek – Work to Date



- 300 Km²
- Only 50% of licence prospected and mapped
- > 6,600 m scout diamond drilling – 53 holes
- Successfully identified high grade epithermal gold veins
- Ground geophysical surveys (IP and Magnetics)
- Airborne geophysical surveys (3,675km of mag, radiometric, DTM)



Epithermal Gold Veins Near Surface and Potential for Porphyry Copper-Gold at Depth

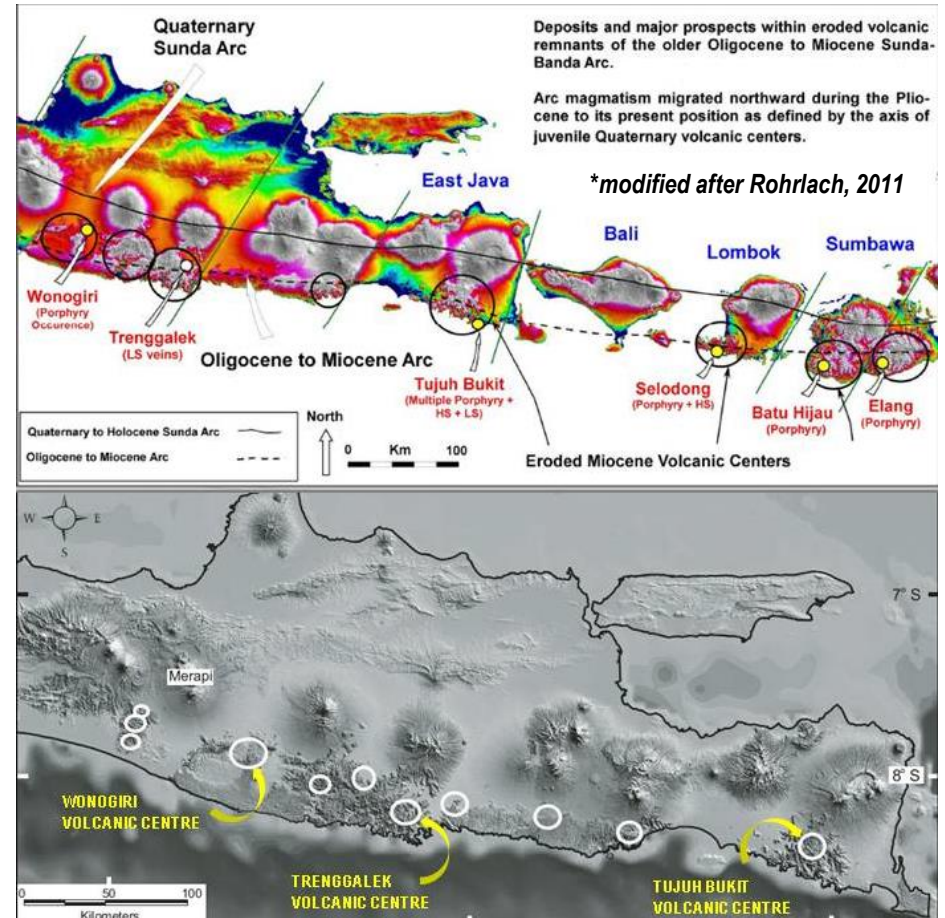
Trenggalek – Epithermal ± Porphyry

Tujuh Bukit

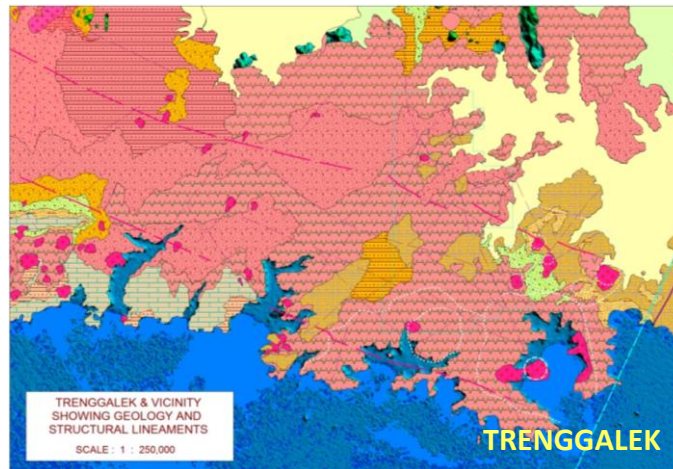
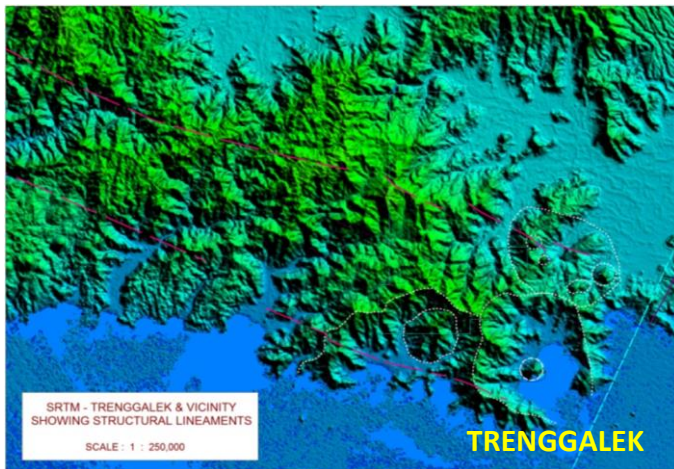
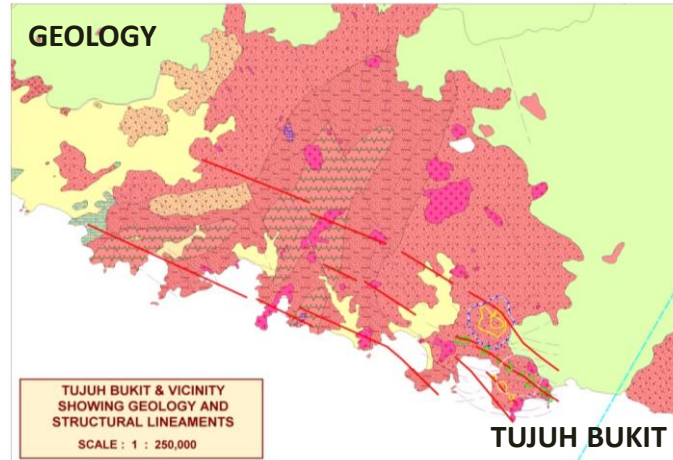
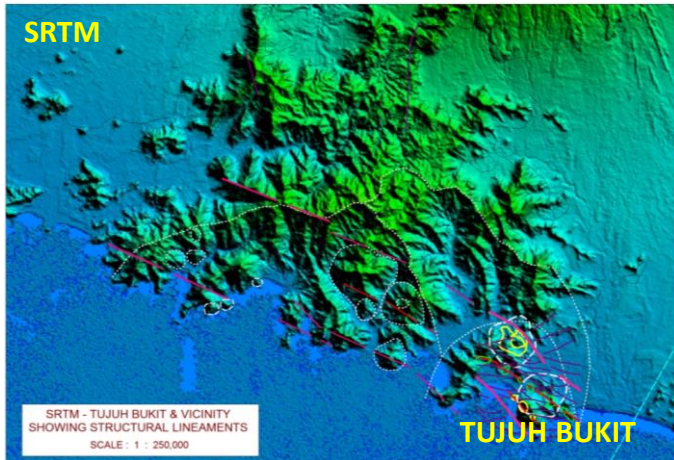
New world class porphyry belt
1.7 Bt @ 0.46g/t Au, 0.41% Cu
- 25 Moz gold, 7 Mt copper (sulphide)
130 Mt @ 0.55g/t Au, 18g/t Ag
2.4 Moz gold 80 Moz silver (oxide)

Trenggalek

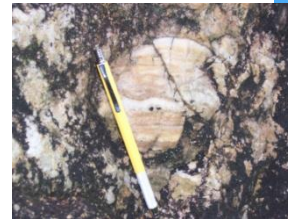
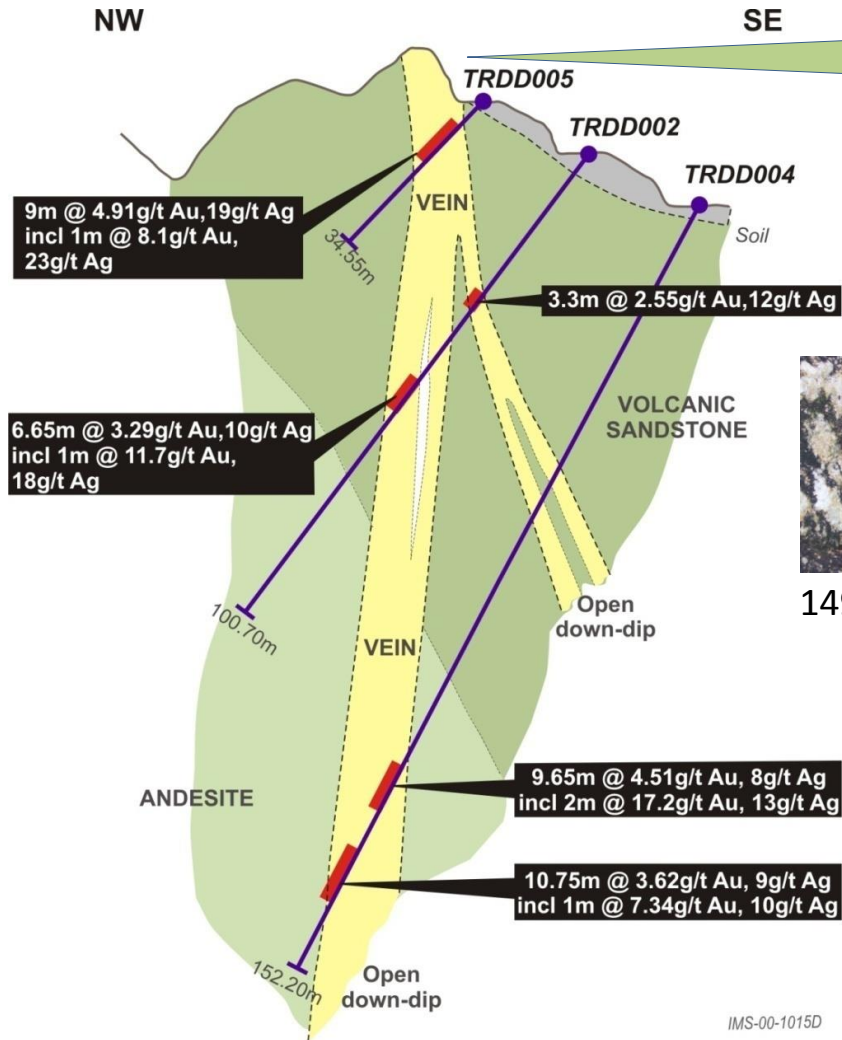
- Sunda-Banda Arc (Southern Mountains)
- Under explored
- Relatively shallow erosion
- Large alteration footprint
- Multiple prospects
- Au-Ag-base metal-Mo-As-Sb-Hg(-Bi)
- Copper sulphide intersected (24.5 m at 0.2% Cu, 0.5 g/t Au, 16 ppm Mo)
- Easy access and logistics
- Local Government, Community and Forestry support



Trenggalek-Tujuh Bukit Comparison



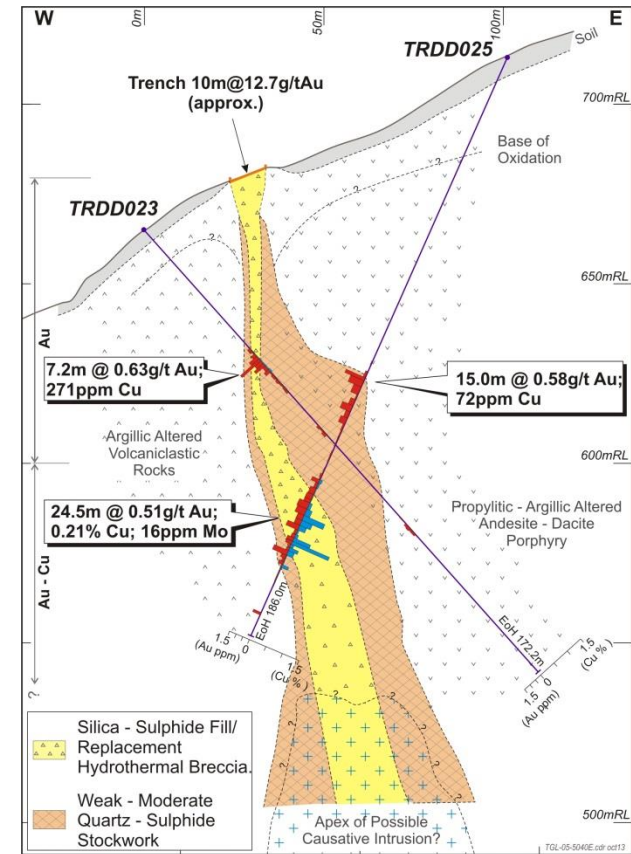
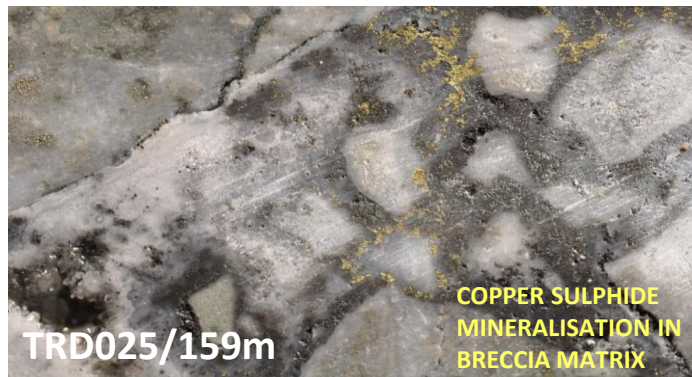
Sentul Prospect – High Grade Gold Veins



149 g/t Au



Buluroto Prospect – Gold and Copper

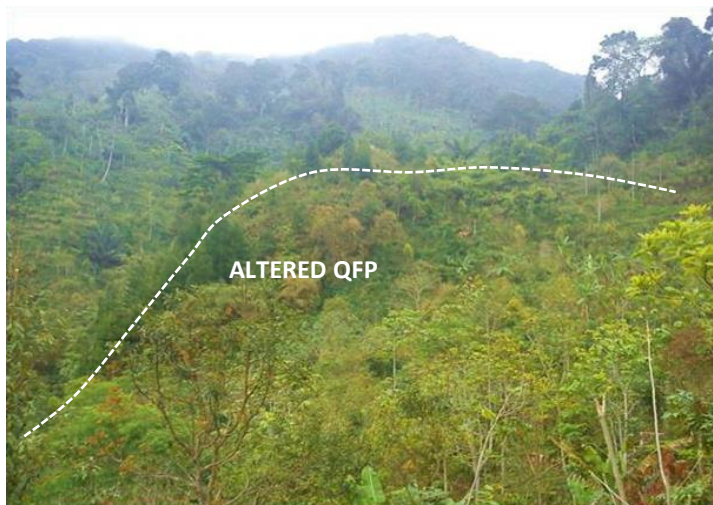


Surface trench 10 m @ 12.7 g/t Au

Best drill intercepts:

- 24.5m @ 0.51 g/t gold, 0.21% copper & 16 ppm Mo from 138.5m and
- 2m @ 8.7 g/t gold & 48 g/t silver within 13.7m at 3.2 g/t gold & 60 g/t silver from 13.7m down-hole

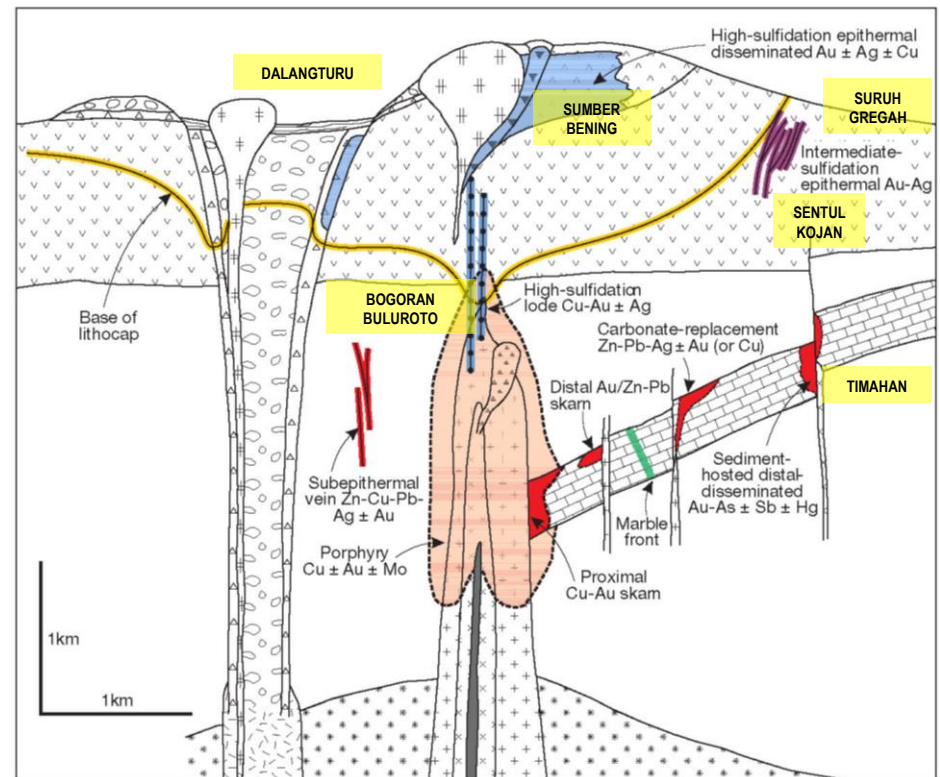
Sumber Bening – Porphyry Lithocap?



4km diameter circular feature

With +3km x 2km area of silica-clay-sulphide alteration on quartz-feldspar porphyry

Initial grab sampling of boulder float & outcrops up to 0.14 g/t gold, 1410 ppm bismuth, 277 ppm copper and 37 ppm molybdenum



Trenggalek / Tujuh Bukit

Sumber Bening – Trenggalek

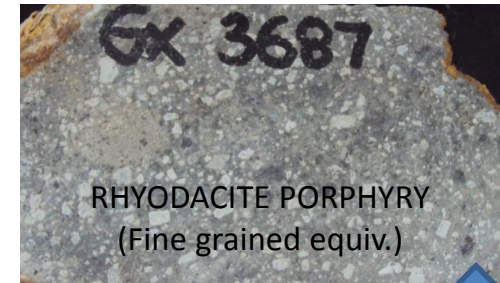
Partly oxidised,
vughy quartz-clay-sulphide breccia



Goethite-limonite-silica breccia
rock



Silica-clay-pyrite altered
quartz-feldspar porphyry



Tumpangpitu – Tujuh Bukit

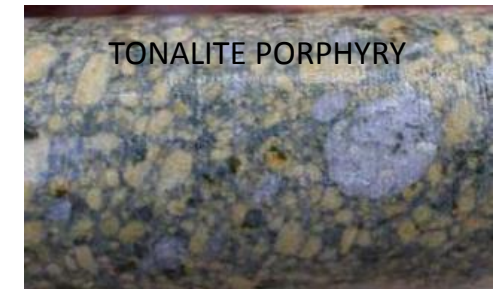
GTD-07-17: Vughy breccia
(Au-Ag oxide ore)



GTD-08-49: Limonite Stockwork
(Au-Ag oxide ore)



Fresh tonalite porphyry
(GDT-09-42; 660m depth)



Australian Projects

- Portfolio diversification
- Acquired for modest commitment and provides long-term option
- Known gold producing districts
- Contain drill-indicated gold resources and/or advanced exploration target(s)
- Potential to increase gold resources; only shallow historic drilling and multiple exploration targets



Junee – High Grades

Hole ID	Company	Year	Hole Type	From (m)	To (m)	Length (m)	Au g/t
DOB11	Getty Oil	1984	RC / Diamond	57	82	25	6.27
D86-040	Little River Resources	1986	RC	45	51	6	5.22
D86-052A	Little River Resources	1986	RC / Diamond	92	114	22	37.3
D86-053	Little River Resources	1986	RC	49	54	5	6.45
D86-078	Little River Resources	1986	RC / Diamond	76	82	6	18.21
D86-079	Little River Resources	1986	RC / Diamond	121	149	28	3.54
D86-080	Little River Resources	1986	RC / Diamond	96	130	34	3.66
D86-081	Little River Resources	1986	RC / Diamond	63	76	13	5.47
				and 82	83	1	29.5
D87-104	Little River Resources	1987	RC / Diamond	71	95	24	3.23
D87-110	Little River Resources	1987	RC / Diamond	105	121	16	10.54
D87-121	Little River Resources	1987	RC / Diamond	69	86	17	5.02
				and 154	162	8	6.1

Oberon, New South Wales

Murphys - JORC Inferred Resource
5.3 Mt at 0.89 g/t Au (at 0.3 g/t Au cut-off)
About 150,000 oz

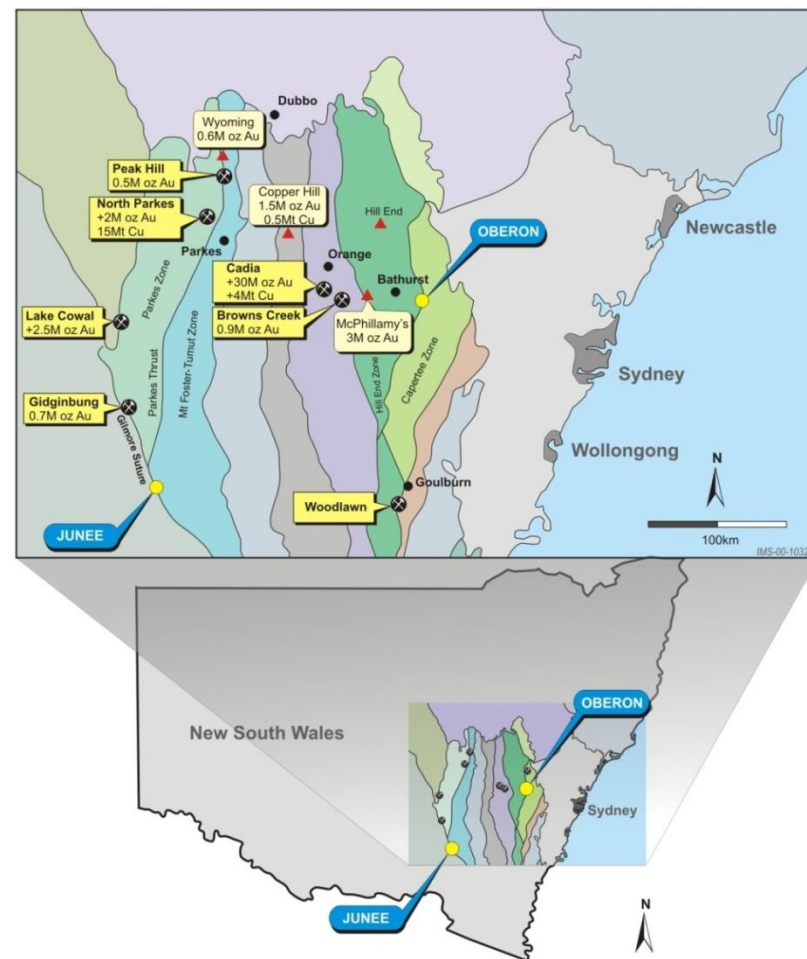
Primary (sulphide); Uncertain metallurgy

12-month Option until
2 July 2014 (commitment \$135,000)

To earn 51% ARC needs to spend
\$500,000 within 2 years

To earn 80% ARC needs to spend a further
\$580,000 within an additional 1 year

Two exploration licenses (265 km²)



Mt. Garnet, Queensland

Triple Crown - JORC Indicated Resource of 2.1 Mt at 1 g/t Au (at 0.3 g/t Au cut-off)

About 70,000 oz

25% Oxide, 75% Primary (sulphide)

Good Metallurgy?

24-month Option until 18 August 2015 (commitment \$150,000)

To earn 51% ARC needs to spend \$500,000 within 2 years

To earn 80% ARC needs to spend a further \$580,000 within an additional 1 year

Three Mining Leases (1.5km² or 150 ha)



Mt. Garnet – Breccia Pipe

Triple Crown East

Known resource; drilled only to a maximum 200m; open at depth?

Saddle Zone

22m @ 2.33 g/t Au & 17.5 g/t Ag – Possible new zone to follow.

Triple Crown West

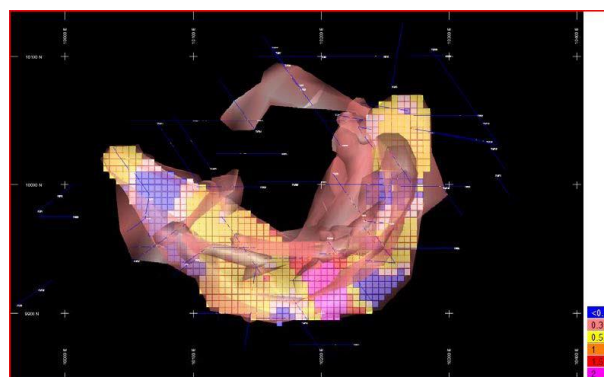
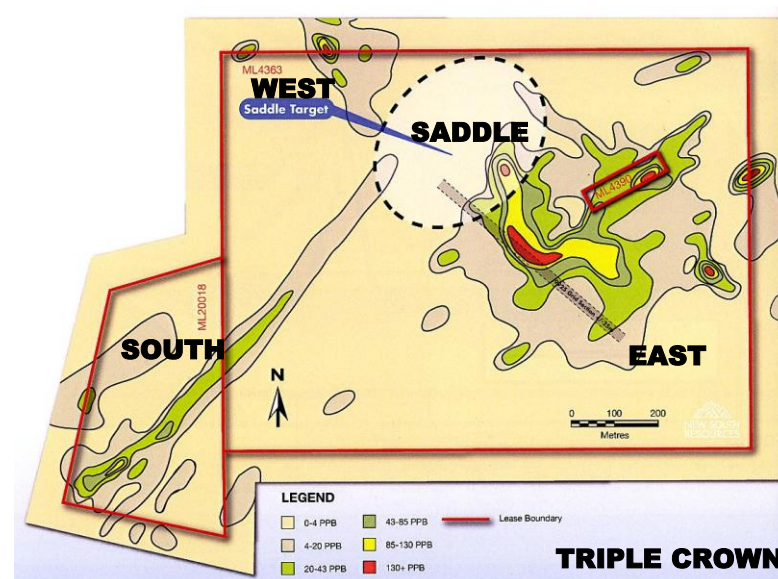
Mineralised breccia at surface.

Possible higher grade breccia target at depth.

Triple Crown South

Elongated gold soil anomaly with structural and skarn targets.

Never been drill tested.



Short – Medium Term Objectives

Six months:

- Assess porphyry potential at Trenggalek
- Evaluate economic potential of Australian projects

One year:

- Define porphyry and/or epithermal resource at Trenggalek
- Expand resources at one or more of Australian projects
- Acquire additional project(s)

Two years:

- Preliminary economic study at Trenggalek
- Preliminary economic study at one or more of Australian projects
- Build portfolio of assets

Five years:

- Monitisation of project(s)

Summary

- **Expert** - Arc knows Indonesia
- **Focus** - High impact epithermal and porphyry deposits
- **Active** – Drilling in Indonesia, actively exploring in Australia
- **Established** - Strong track record of mineral discoveries
- **Well Balanced** - Exploration portfolio
- **Resilient** - Sufficient cash to pursue objectives while a major company spending \$20m
- **Value** – Trading near cash equivalent

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Competent Person Statement

The information in this presentation that relates to Exploration Results is based on information compiled by Mr Brad Wake, who is a member of the Australian Institute of Geoscientists. Mr Wake has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Persons as defined in the 2004 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 presentation of the matters based on his information in the form and context in which it appears.

The information in this presentation that relates to the Junee & Oberon gold resources is extracted from the report entitled Junee and Oberon Projects - Statement of Resources created and released to the ASX on 10 July 2013 and is available to view on the Company's website: 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.

