

**ARC EXPLORATION EXECUTES SALE AND PURCHASE AGREEMENT
TO DIVEST NON-CORE ASSET**

ARC Exploration Limited (“**ARX**” or “the **Company**”) is pleased to advise that it has executed a binding sale and purchase agreement with an unrelated entity to divest its joint venture interest with PT Sumber Mineral Nusantara in the Trenggalek Project in East Java.

ARX has agreed to the sale of its legal and beneficial right, title and interest to the Trenggalek Project, technical information, specified contracts and shares in its wholly owned subsidiary PT Indonusa Mining Services for cash consideration of A\$100,000.

Completion of the transaction is subject to the satisfaction or waiver of a number of conditions precedent including obtaining any necessary regulatory approvals and execution of various Assignment Deeds. The sale and purchase agreement contains other standard terms typical to agreements of a similar kind.

The divestment is consistent with ARX’s decision to focus its resources and activities on developing the Manitou Gold Project (“the Project”) which is located in North-western Ontario and comprises 112 claims totalling 245 km². The Project is strategically located in the past producing Manitou Lake area in the Western Wabigoon geological sub-province of Ontario, Canada. Although the Board is currently focussed on the Manitou Gold Project, the Company will also continue to assess new business opportunities in the mining and resources sector.

Yours faithfully



Aaron Bertolatti
Company Secretary
ARC Exploration Limited