

MEDIA COVERAGE



Arc Exploration rights issue raises \$1.7 million



Australian-listed gold company Arc Exploration (ASX: ARX) has announced the company's Rights Issue has been well supported by shareholders to raise \$1.7 million.

The Rights Issue was structured as a non-renounceable pro-rata entitlement offer to acquire one new share for every existing share held in the company at an issue price of 1.8 cents per share.

Shareholders who subscribed for new shares will also be issued one option for every 2 new shares subscribed for. The options are exercisable at 3.6 cents per share at any time until 31 January 2011.

The company will allot 96,176,665 new shares (with attaching options) to shareholders who participated in the Rights Issue.

It is envisaged that the remaining shortfall of 76,049,322 new shares (with attaching options) will be placed by the directors within the next month.

Shareholders were offered the opportunity to participate in any shortfall by applying for additional shares. As set out in the Prospectus, this facility was capped at 25 million new shares.

The facility was substantially oversubscribed and accordingly the directors have scaled back some applications for additional shares and refunds will be made to shareholders where appropriate as soon as practicable.

Following the allotment of shares the company has 268,402,652 fully paid ordinary shares on issue.

ARX aims to generate value through exploration and the discovery of high-grade gold, silver and associated base metal deposits within Indonesia's highly prospective magmatic arcs and associated terranes.

The company has a 95% joint venture interest with PT Sumber Mineral Nusantara in the Trenggalek tenement located in East Java and a 95% interest in the Bima tenement located in East Sumbawa of West Nusa Tenggara Province.



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In association with Anglo American Group, Arc is also exploring for large porphyry copper-gold deposits in Papua.