

ARC ENERGY
ASX RELEASE

Release Date: 10 February 2005

To: Australian Stock Exchange Ltd

No of Pages: 1

From: Eric Streitberg

Re: Corybas 1 gas exploration and appraisal well update 3

ARC Energy Limited advises that the operation at 06:00 hours WST at the gas exploration and appraisal well Corybas 1, was waiting on rig repairs. Since the last report, 178 mm (7 inch) casing has been set at 2,425 metres prior to the failure of the carrier/drawworks engine on CDL Rig 11.

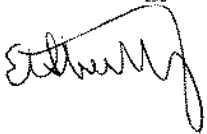
It is expected that the rig repairs by Century Drilling will take at least another two days, prior to drilling out of the 178 mm casing to the first core point in the Irwin River Coal Measures.

The well is operated by ARC and located in the onshore Perth Basin Production Licence L2. The surface location of the well is approximately 14 kilometres east northeast of the township of Dongara and 250 metres southeast of the Central Yardarino 1 well. The proposed total depth of the well is 2,670 metres measured depth.

Participants in L1 and L2 (excluding the Dongara, Mondarra and Yardarino fields) and Corybas 1 are:

- ARC Energy Limited - 50% (Operator)
- Origin Energy Developments Pty Ltd - 50% (a wholly owned subsidiary of Origin Energy Limited)

Yours faithfully
ARC Energy Limited



ERIC STREITBERG
Managing Director