



TSX-V: SA

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## NEWS RELEASE

### **Southern Arc Invests \$5 million in Japan Gold Corp.**

**August 9, 2017 – Vancouver, BC – Southern Arc Minerals Inc. (TSX-V: SA)** (“Southern Arc” or the “Company”) is pleased to announce that it has completed a financing with Japan Gold Corp. (TSXV: JG) (“Japan Gold”) pursuant to which Southern Arc will invest \$5 million and acquire 12,500,000 units of Japan Gold at a price of \$0.40 per unit.

Each unit consists of one common share and one transferable common share purchase warrant of Japan Gold. Each warrant is exercisable into one additional common share of Japan Gold at a price of \$0.40 per share for a period of 5 years. The units (and securities underlying the units) issued under the private placement will be subject to a four month hold period expiring on December 9, 2017.

Following the private placement, Southern Arc owns approximately 53.08% of Japan Gold’s issued and outstanding common shares. The private placement with Japan Gold is a “related party transaction” within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). Southern Arc received shareholder approval of the private placement on July 14, 2017 and is relying on sections 5.5(b) and 5.5(c) of MI 61-101 for the exemption from the valuation requirement in accordance with the policies of the TSX Venture Exchange and MI 61-101.

Southern Arc did not file a material change report more than 21 days in advance of the closing of the private placement based on the fact that the closing date of the private placement was not determined until regulatory approval had been obtained.

### **About Southern Arc**

Southern Arc is a Canadian company focused on creating value through project generation and strategic investments in mineral resource companies with a focus on gold and copper-gold. The Company currently owns a 53.08% interest in Japan Gold Corp. (TSXV: JG), which has applied for 180 prospecting rights licenses in Japan in an area with known gold occurrences and a history of mining; and a 29.9% interest in Tethyan, an AIM listed company (AIM: TETH) which is advancing a number of gold, copper and other base metal projects in the Tethyan mineral belt in Eastern Europe. Southern Arc also holds an investment in Osisko Mining Inc. (TSX: OSK), which is advancing a number of gold projects in Canada’s Abitibi Gold Belt, including the high-grade Windfall Lake Gold Project in Quebec, Canada; and an interest in the West Lombok project in Indonesia, a resource-stage property with several gold-rich copper porphyry and epithermal gold vein prospects. More information is available at [www.southernarcminerals.com](http://www.southernarcminerals.com) or by email at [info@southernarcminerals.com](mailto:info@southernarcminerals.com).

**On behalf of the Board of Southern Arc Minerals Inc.**

“John Proust”

Chairman & CEO

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***Cautionary Note***

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as such term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*