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NEWS RELEASE

June 08, 2010

**NICKEL OIL & GAS CORP. COMPLETES FINANCING AND ENTERS INTO
AGREEMENT TO BE ACQUIRED BY MINERVA MINERALS LIMITED**

Vancouver, B.C., June 8, 2010: Southern Arc Minerals Inc. (TSX-V: SA) (“Southern Arc” or the “Company”) provides the following update regarding Nickel Oil & Gas Corp. (“Nickel”, formerly Canada Nickel Corp.). Southern Arc owns 15.3 million common shares (approximately 39.08%) of Nickel, a private company engaged in oil and gas exploration in Brewster and Pine Creek areas of Alberta.

Nickel has entered into a binding letter agreement with Minerva Minerals Limited (CNSX: MIL) (“Minerva”) pursuant to which Minerva will acquire all of the issued and outstanding common shares of Nickel, by way of a business combination. Pursuant to the letter agreement, Nickel shareholders, including Southern Arc, will receive one common share of Minerva in consideration for each common share of Nickel.

The transaction with Minerva requires Minerva to complete a financing of no less than \$252,000 in accordance with Canadian National Stock Exchange (CNSX) policies, and Nickel to complete a financing of not less than \$3 million. Nickel has completed the first tranche of its financing in the amount of \$1,006,000. Nickel issued 4,024,000 flow-through common shares at \$0.25 per share in connection with the financing.

Nickel will use the proceeds of the first tranche of financing and cash on hand to fund the drilling of a horizontal well on the Pine Creek property targeting the Notikewin formation. Nickel will earn a 60% working interest in two sections by paying 100% of the costs of drilling and completing, capping or abandoning this well. There is good well control in the Pine Creek area, with recent success by other oil and gas companies, and close proximity to infrastructure.

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

“John Proust”

President and CEO

For Further Information Please Contact:

John G. Proust, President and CEO

Southern Arc Minerals Inc.

Suite 1500, Box 1078, 885 West Georgia Street, Vancouver, BC V6C 3E8 Canada

Telephone: (604) 676-5241 Fax: (604) 676-5246

www.southernarcminerals.com

The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved of the contents of this press release. 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.