



No. 11-04

NEWS RELEASE

January 31, 2011

BOB GALLAGHER APPOINTED TO SOUTHERN ARC BOARD OF DIRECTORS

Vancouver, B.C.: Southern Arc Minerals Inc. (“Southern Arc” or the “Company”) (TSX Venture: SA) is pleased to announce the appointment of Robert Gallagher to its Board of Directors.

Mr. Gallagher has worked in the mining industry for over 32 years and spent 15 years with Placer Dome Inc. and seven years with Newmont Mining Corporation, most recently as Vice President Operations, Asia Pacific. Mr. Gallagher is President, CEO, and Director of New Gold Inc. (TSX: NGD.CA; NYSE Amex: NGD), an intermediate gold producer with projects on three continents and a market capitalization of \$3.2 billion. Prior to the merger of Peak Gold, Metallica and New Gold, Robert Gallagher was the President and Chief Executive Officer of Peak Gold from February 2008. Mr. Gallagher holds a Bachelor of Applied Science in Mineral Processing.

During his tenure at Newmont, Mr. Gallagher oversaw the development of Batu Hijau, the billion tonne, world-class copper-gold mine located on Sumbawa Island. The Batu Hijau mine is just south of Southern Arc’s Taliwang project, west of the Company’s East Elang project, and one island to the east of Southern Arc’s flagship property on Lombok Island.

The Company’s projects are positioned for significant advancement in Indonesia, and Mr. Gallagher's extensive knowledge of development and operation of large scale mining projects, coupled with his experience in all aspects of the Indonesian mining industry, are extremely well suited to Southern Arc’s business plan.

“I am very pleased that Bob has decided to join our Board,” says John Proust, Chairman of Southern Arc. “I’ve known Bob for 7 years and am excited to announce his appointment to our team. His extensive regional and project-specific work in Indonesia, coupled with a wealth of corporate experience, brings a great deal to the table. I look forward to working closely with Bob as we advance our properties and, with them, shareholder value.”

Southern Arc Minerals Inc.

“John Proust”

Chairman and CEO

For Further Information Please Contact:

John G. Proust, Chairman 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

Email: info@southernarcminerals.com

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.