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NEWS RELEASE

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**UPDATE ON TEMPORARY DEMONSTRATIONS AT SOUTHERN ARC
MINERALS' OPERATIONS IN INDONESIA**

Vancouver, B.C.: Southern Arc Minerals Inc. (TSX Venture: SA) ("Southern Arc" or the "Company") is providing an update on recent events at its West Lombok Property in Indonesia.

On Monday May 16, a group of demonstrators, believed to be representatives of illegal artisanal miners from the region arrived at and disrupted Southern Arc Mineral's Tibu Serai drilling camp. Company personnel have all been accounted for, and are safe and uninjured. The demonstrators dispersed after being confronted by company security and police at Pelangan. At Raja-Pelangan everything is back to normal.

The demonstrators turned their attention on a drill rig located at Bising and set it on fire, after which they travelled to Raja Pelangan to attempt to disrupt drilling activities there. No one from the Company's operations were injured and all damaged equipment was insured. Subsequent to this, the demonstrators traveled to Pelangan camp where they were turned back by the Company's security personnel.

At present both company field camps are secured by police personnel.

Company officials immediately met with the West Lombok Regency police and have scheduled a discussion (to be chaired by the Regent) with all relevant village heads, sub-district chiefs, Regency department heads and the Regency security team. The meeting will be focused on safety, security and illegal mining activities that local villagers are conducting in the region and unrelated to Southern Arc's operations.

It is expected that normal drilling activities will resume within a number of days.

John Proust, the Company's CEO reported that "Southern Arc's first priority is the safety of its team members and we are fortunate that none of our personnel or the personnel of our contractors were harmed. The Company prides itself on its engagement in the community and feels strongly that these actions were provoked by a fringe group of individuals who are participating in illegal mining activities in the region outside of our operations. We are working closely with local authorities to bring those responsible for these acts to justice.

We are also working to assess the damage and to ensure that the disruption to our operations is minimized. While these activities are deplorable, we will galvanize support within the local community for companies like Southern Arc who conduct sanctioned mining activities which create economic opportunities for all of our stakeholders, including those within the local community."

About Southern Arc Minerals Inc.

Southern Arc Minerals Inc. is an Indonesia-based Canadian mineral exploration company with advanced projects involving epithermal gold and high-potential gold-copper porphyry prospects on Lombok and Sumbawa islands. The company's key exploration project is the West Lombok project, a complex of several gold-rich copper porphyries and epithermal gold vein prospects located within Southern Arc's West Lombok property on Lombok Island. The company is committed to supporting its local communities and providing favorable work opportunities for local residents.

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

“John Proust”

Chairman and CEO

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