

NEWS RELEASE

Southern Arc Provides Drilling Results from Bising Target, West Lombok Project

February 28, 2013 – Vancouver, BC – Southern Arc Minerals (TSX-V: SA, OTCQX: SOACF) (“Southern Arc” or “the Company”) is pleased to provide drilling results from the Bising target in the Mencanggih prospect on Southern Arc’s West Lombok property.

*Southern Arc will host an investor update webcast
Monday, March 4 at 11am EST
North American toll-free: 1-800-319-4610
International / Vancouver callers: 604-638-5340
Webcast: www.southernarcminerals.com*

On December 13, 2012, Southern Arc announced plans to commence drilling at West Lombok, with a near-term exploration focus on epithermal gold-bearing structural breccias in the Mencanggih prospect. Southern Arc mobilized three drill rigs to the Bising target and initiated a Phase 2 drill program, developed in consultation with SRK Consulting (Canada) Inc. (“SRK”), to infill and expand the zones of mineralization adjacent to wide mineralized intercepts identified with Phase 1 drilling (**Figure 1** and **Table 2**, refer to Southern Arc news release dated February 16, 2012). Southern Arc has now completed 11 Phase 2 holes at Bising (1,375.6 metres) as summarized in **Table 1** and **Figure 1**. These results have been delivered to SRK for inclusion in a National Instrument 43-101 compliant resource estimate for the property, targeted for completion by mid-2013.

Highlight Phase 2 drilling intercepts include:

| | |
|--------|---|
| MCG041 | 66.8 m @ 0.66 g/t gold and 2.4 g/t silver from 20.0 m including 22.9 m @ 1.16 g/t gold and 2.7 g/t silver from 22.0 m |
| MCG042 | 53.2 m @ 1.04 g/t gold and 1.4 g/t silver from 16.0 m including 1.0 m @ 9.67 g/t gold and 0.8 g/t silver from 32.2 m and 0.30 m @ 10.2 g/t gold and 61.3 g/t silver from 46.3 m |
| MCG043 | 42.4 m @ 0.51 g/t gold and 1.1 g/t silver from 20.7 m including 10.1 m @ 1.0 g/t gold and 1.9 g/t silver from 39.0 m |
| MCG044 | 58.15 m @ 0.61 g/t gold from 87.85 m including 11.0 m @ 1.3 g/t gold from 104.6 m and 7.5 m @ 1.1 g/t gold from 123.0 m |

“We are encouraged that wide intervals averaging greater than 1 g/t gold mineralization have been intersected in a large proportion of the diamond drill holes in the Bising target,” said Dr. Mike Andrews, President and Chief Operating Officer of Southern Arc. “These results continue to demonstrate the consistency and width of mineralization at Bising.”

The extensive width (up to 66 metres width in surface outcrop) of the main Bising epithermal body is inferred to result from the intersection of geological structures: a major west-northwest trending fault intersected by several north-northwest trending faults, the latter of which form the dominant gold mineralized trend in the West

Lombok district. Drill holes in Phase 1 exploration were located at 100 m drill spacings to test the main Bising epithermal structural body, its extensions, and intersections with the several crossing faults.

With this initial program of Phase 2 exploration complete at Bising the rigs were mobilized to the Tibu Serai target in the Mencanggih prospect. Surface channel samples at the Tibu Serai target have returned the highest-grade mineralization on the property to date. Southern Arc has completed seven drill holes (1,124.2 metres) targeting down-dip extensions from elevated rock-chip gold geochemistry in multiple veins that exhibit low silver-to-gold ratios.

Once all assay results are received, Southern Arc's exploration team and Board of Directors will review results from Bising and Tibu Serai and determine the Company's next steps to advance the West Lombok project.

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

“John Proust”

Chairman & Chief Executive Officer

About Southern Arc

Southern Arc Minerals Inc. is a Canadian mineral exploration company focused on gold and copper-gold exploration. The Company's key exploration property is its West Lombok project, with several gold-rich copper porphyry and epithermal gold vein prospects. Southern Arc is listed on the TSX Venture Exchange under the symbol SA and on the OTCQX International under the symbol SOACF. More information is available at www.southernarcminerals.com or by emailing info@southernarcminerals.com.

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Qualified Person

The technical information in this document has been reviewed by Southern Arc's Chief Geologist, Andrew Rowe, B. App. Sc. Geology, MAusIMM. Mr. Rowe has over 20 years of international mineral exploration experience throughout Southeast and Central Asia and Australia. During this time he has held such positions as Principal Geologist – Feasibility Studies, Senior Geologist and Consulting Geologist. The technical information in this document has also been reviewed by Southern Arc's President & Chief Operating Officer, Dr. Mike Andrews, PhD, FAusIMM, who has sufficient experience relevant to the style of mineralization under consideration and qualifies as a Qualified Person as defined by National Instrument 43-101.

The drill program and sampling protocol is managed by Southern Arc under the supervision of Andrew Rowe. The diamond drill holes are drilled at PQ, HQ and NQ sizes depending on hole depth and core recovery to date has averaged better than 98.0%. Half core is cut by rock saw and is generally sampled using nominal 1-metre intervals; however, sample intervals are varied according to geological contacts and have ranged between 0.2 to 2.5 metres in length. Three quality control samples (one blank and two standards) are inserted into each batch of 40 samples. The half core samples are securely transported from the project site to the Intertek Testing Services (“ITS”) sample preparation laboratory in Sumbawa Besar via private truck hired by Southern Arc. Sample pulps are then sent to the ITS Jakarta laboratory by ITS. Gold is analysed by fire assay with AAS finish and a four-acid digestion with ICP-MS finish is used to analyse a full suite of elements including silver and base metals. ITS is one of the world's largest product and commodity testing, inspection and certification organizations. The Jakarta laboratory is ISO 17025 accredited and employs a Laboratory Information Management System for sample tracking, quality control and reporting.

Forward-looking Statements

This news release contains forward-looking statements relating to expected or anticipated future events and operations, timing of projects and anticipated results that are forward-looking in nature and, as a result, are subject to certain risks and uncertainties, such as general economic, market and business conditions, the regulatory process and actions, the need to obtain permits, the need to work with local communities and authorities to advance the properties, technical issues, new legislation, competitive and general economic factors and conditions, the uncertainties resulting from potential delays or changes in plans, the occurrence of unexpected events, and the Company's ability to execute and implement future plans. Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors. There is no representation by the Company that actual results achieved during the forecast period will be the same in whole or in part as that forecast.

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.

Table 1 – Mencanggah Prospect, Bising Target, Phase 2 Drill Hole Statistics Summary

| Drill Hole | Target | Depth (m) | Coordinates | | Az | Dip | From (m) | To (m) | Interval (m) | Gold (g/t) | Silver (g/t) |
|------------|--------|-----------|-------------|-----------|-----|-----|-------------------------|-------------------------|----------------------|----------------------|--------------------|
| | | | E | N | | | | | | | |
| MCG038 | Bising | 101.8 | 388569.6 | 9023770.5 | 195 | -50 | 27.67 89.75 | 58.4 91.5 | 30.73 1.75 | 0.30 1.02 | 1.4 0.6 |
| MCG039 | Bising | 81.1 | 388619.8 | 9023743.3 | 195 | -50 | 20.30 | 51.2 | 30.9 | 0.35 | 1.4 |
| MCG040 | Bising | 165.2 | 388271 | 9023963.9 | 195 | -70 | 100.80 125.65 | 147.9 147.9 | 47.10 22.25 | 0.37 0.48 | 1.2 1.8 |
| MCG041 | Bising | 100.6 | 388198.51 | 9023870.2 | 195 | -50 | 20.0 22.0 | 86.8 44.9 | 66.8 22.9 | 0.66 1.16 | 2.4 2.7 |
| MCG042 | Bising | 112.1 | 388243.64 | 9023869.7 | 195 | -50 | 16.0 32.2 46.3 | 69.2 33.2 46.6 | 53.2 1.0 0.3 | 1.04 9.67 10.2 | 1.4 0.8 61.3 |
| MCG043 | Bising | 105.1 | 388280.57 | 9023858.3 | 195 | -45 | 20.7 39.0 | 63.1 49.1 | 42.4 10.1 | 0.51 1.0 | 1.1 1.9 |
| MCG044 | Bising | 172.6 | 388271 | 9023963.9 | 195 | -50 | 87.85 104.6 123.0 | 146.0 115.6 130.5 | 58.15 11.0 7.5 | 0.61 1.3 1.1 | |
| MCG045 | Bising | 91.8 | 388104.3 | 9023882 | 195 | -50 | 20.45 | 64.35 | 43.9 | 0.36 | |
| MCG046 | Bising | 145.3 | 388178.3 | 9023954.5 | 195 | -45 | 91.3 | 120.1 | 28.8 | 0.40 | 2.1 |
| MCG047 | Bising | 133.1 | 388128.27 | 9023962.3 | 195 | -50 | 77.45 | 110.8 | 31.25 | 0.34 | |
| MCG048 | Bising | 166.9 | 388178.3 | 9023954.5 | 195 | -70 | 100.6 | 125.4 | 24.8 | 0.55 | |

* Note: Silver assays are pending for drillholes MCG044, MCG045, MCG047 and MCG048.

Table 2 – Mencanggah Prospect, Bising Target, Select Phase 1 Drill Hole Statistics Summary (Previously reported February 16, 2012)

| Drill Hole | Target | Depth (m) | Coordinates | | Az | Dip | From (m) | To (m) | Interval (m) | Gold (g/t) | Silver (g/t) |
|------------|--------|-----------|-------------|-----------|-----|-----|-------------------------------|-------------------------------|--------------------------|---------------------------|----------------------------|
| | | | E | N | | | | | | | |
| MCG028 | Bising | 326.5 | 388254.66 | 9023900.8 | 195 | -50 | 35.6 61.8 | 86.85 62.05 | 51.3 0.3 | 1.5 40.3 | 1.4 0.6 |
| MCG029 | Bising | 234 | 388069.26 | 9023936.1 | 195 | -50 | 47.1 74.6 80.0 | 47.7 75.0 81.0 | 0.6 0.4 1.0 | 3.5 2.9 1.0 | NS 26.0 4.0 |
| MCG030 | Bising | 201.5 | 388157.06 | 9023887.5 | 195 | -50 | 34.0 56.3 59.2 | 73.0 66.0 59.5 | 39.0 9.7 0.3 | 1.8 4.9 89 | 3.1 5.9 27.6 |
| MCG031 | Bising | 283.9 | 388331.2 | 9023866.8 | 195 | -50 | 37.0 74.2 74.2 156.8 | 37.6 78.6 75.1 157.5 | 0.6 4.4 0.9 0.8 | 6.5 2.1 6.8 47.7 | 2.2 7.3 27.7 13.2 |
| MCG032 | Bising | 250 | 388562 | 9023720 | 195 | -50 | 11.7 19.0 25.2 | 49.5 22.0 30.0 | 37.8 3.0 4.8 | 1.0 2.7 4.0 | NS NS NS |

NS – no significant result.

Figure 1 – Mencanggah Prospect, Bising Target, Phase 2 Drill Hole Results and Select Phase 1 Drill Hole Results

