



## NEWS RELEASE

### Southern Arc Finalizes Sale of Taliwang Project

**February 28, 2014 – Vancouver, BC – Southern Arc Minerals (TSX-V: SA, OTCQX: SOACF)** (“Southern Arc”) today announced that the Company has finalized an agreement for the sale of its interest in the Taliwang project. Pursuant to the terms of the agreement, Southern Arc’s wholly-owned subsidiary Indotan Sumbawa Pte. Ltd., which holds a 90% share in the Indonesian company that owns the Taliwang project (remaining 10% held by the West Sumbawa Regency Government), will be sold to a prominent Indonesian businessman (the “Purchaser”) in consideration for the payment of US\$1,600,000 and the granting of a 5% net smelter royalty to Southern Arc. The Purchaser has the option to buy back 3% of the net smelter royalty by paying Southern Arc US\$3,000,000. The Purchaser has made two payments to Southern Arc totaling US\$400,000 and will pay Southern Arc an additional US\$1,200,000 in four consecutive weekly installments of US\$300,000.

“We are very pleased to have entered into this agreement in today’s challenging market conditions, particularly as the net smelter royalty and buy back terms still allow Southern Arc to participate in the development and future success of the Taliwang property,” said John Proust, Chairman & Chief Executive Officer of Southern Arc. “Sale of this non-core property will further bolster Southern Arc’s treasury, giving us the financial flexibility to invest in new high-quality projects that will add value for Southern Arc shareholders.”

**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 is advancing two properties in Indonesia: West Lombok, a resource-stage property with several gold-rich copper porphyry and epithermal gold vein prospects, and East Elang, a grassroots exploration property that will be advanced in partnership with Vale International SA. Southern Arc also owns 25% of Eagle Hill Exploration, which owns the high-grade Windfall Lake Gold Project in Quebec, Canada. More information is available at [www.southernarcminerals.com](http://www.southernarcminerals.com).

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#### **Forward-looking Statements**

*This news release contains forward-looking statements relating to expected or anticipated future events 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, technical issues, new legislation, the uncertainties resulting from potential delays or changes in plans, the occurrence of unexpected events, and the company's capability 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.*