



NEWS RELEASE

Southern Arc Purchases Additional Shares and Warrants in Eagle Hill Exploration

May 9, 2014 – Vancouver, BC – Southern Arc Minerals (TSX-V: SA, OTCQX: SOACF) (“Southern Arc”) today announced that the Company has purchased additional shares and warrants in Eagle Hill Exploration Corporation (“Eagle Hill”) (TSX-V: EAG, OTCQX: EHECF). Eagle Hill is a Canadian mineral exploration company focused on the exploration and development of the high-grade Windfall Lake Gold Deposit, located between Val-d’Or and Chibougamau in Quebec.

As part of Eagle Hill’s non-brokered private placement of up to \$3.5 million (the “Offering”) announced on April 22, 2014, Southern Arc has purchased 20 million units at \$0.05 per unit for an investment of \$1,000,000. Each unit consists of one common share (a “Share”) of Eagle Hill and one share purchase warrant (a “Warrant”) of Eagle Hill. Each Warrant entitles Southern Arc to acquire one Share at a price of \$0.08 until May 8, 2016. The Shares and Warrants were acquired by Southern Arc in reliance on the accredited investor exemption of National Instrument 45-106, as Southern Arc has net assets of at least \$5 million as shown on its most recently prepared financial statements. The Shares, Warrants, and Shares issuable upon exercise of the Warrants are subject to a four-month hold period expiring on September 9, 2014. Proceeds from this portion of the Offering will be used for Eagle Hill’s general working capital.

In August 2013, Southern Arc invested \$7,324,050 to acquire 97,654,000 shares of Eagle Hill and 48,827,000 warrants of Eagle Hill exercisable at a price of \$0.10 until August 14, 2017. In April 2014, Southern Arc invested \$526,316 to acquire 7,518,797 shares of Eagle Hill and 7,518,797 warrants of Eagle Hill exercisable at a price of \$0.10 until April 8, 2016. Following today’s investment, Southern Arc owns 125,172,797 shares and 76,345,797 warrants of Eagle Hill, representing 26.7% of Eagle Hill’s issued and outstanding shares. If all Eagle Hill options and warrants are exercised, Southern Arc would hold a 31.7% interest in Eagle Hill on a fully diluted basis. Dundee Corporation (“Dundee”) (TSX: DC.A) has also purchased 20 million units as part of the Offering, and currently owns 30.0 % of Eagle Hill on an undiluted basis, and 30.1% on a fully diluted basis.

On behalf of the Board of Southern Arc Minerals Inc.

“John Proust”

Chairman & Chief Executive Officer

About Southern Arc Minerals

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 26.7% of Eagle Hill Exploration, which owns the high-grade Windfall Lake Gold Project in Quebec, Canada. More information is available at www.southernarcminerals.com.

About Eagle Hill Exploration Corporation

Eagle Hill Exploration Corporation is a Canadian mineral exploration company focused on the exploration and development of the high-grade Windfall Lake gold deposit, located between Val-d’Or and Chibougamau in Quebec, Canada. The current mineral resource comprises 2,375,000 tonnes at 9.75 g/t gold (744,000 ounces) in the indicated

category and 3,084,000 tonnes at 7.37 g/t gold (731,000 ounces) in the inferred category (Technical Report for the Windfall Lake Gold Project, Quebec prepared by SRK Consulting (Canada) Inc., dated March 3, 2014). These grades make Windfall Lake one of the highest grade resource-stage gold projects in the world. The bulk of the mineralization occurs in the Main Zone, a southwest/northeast trending zone of stacked mineralized lenses, measuring approximately 600 metres wide and at least 1,400 metres long. The deposit remains open at depth and along strike, with additional drilling and technical work planned for 2014. More information is available at www.eaglehillexploration.com.

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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.

Qualified Person

The technical information in this document has 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 technical information in this document has also been reviewed by Eagle Hill's Vice President Exploration, Jean-Philippe Desrochers, PhD, PGeo, 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.

Cautionary Note Regarding Forward-looking Statements

This document contains certain forward-looking information and forward-looking statements within the meaning of applicable securities legislation (collectively "forward-looking statements"). The use of the word "will" and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Such forward-looking statements should not be unduly relied upon. This document contains forward-looking statements and assumptions pertaining to the ability of Eagle Hill to close the Offering; the granting of regulatory approval; and the timing of receipt of regulatory approvals. Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors, including uncertainty related to market conditions that prevent Eagle Hill from closing the Offering on acceptable terms or at all; and global financial market events that cause significant volatility. Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements contained in the document are expressly qualified by this cautionary statement. These statements speak only as of the date of this document and the Company does not undertake to update any forward-looking statements that are contained in this document, except in accordance with applicable securities laws.