



NEWS RELEASE

Southern Arc Amends and Closes Sale of Taliwang Project

July 24, 2014 – Vancouver, BC – Southern Arc Minerals (TSX-V: SA, OTCQX: SOACF) (“Southern Arc”) today announced that the Company has amended the sale agreement and closed 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. has sold its 90% share in the Indonesian company that owns the Taliwang project (remaining 10% held by the West Sumbawa Regency Government) to a prominent Indonesian businessman (the “Purchaser”). The Purchaser has paid US\$1,000,000 and granted a 5% net smelter royalty (“NSR”) to Southern Arc. The Purchaser has the option to buy back 3% of the NSR by paying Southern Arc US\$3,000,000.

The Purchaser is required to make additional payments to Southern Arc to fulfill the agreed purchase price. The Purchaser will pay Southern Arc 40% of gross revenue generated from the Taliwang project, after payment of the Southern Arc NSR, until the aggregate amount of such payments equals US\$750,000. Alternatively, the Purchaser has the option of making a one-time payment of US\$600,000 if the payment is made before January 12, 2015.

“We are pleased to have completed the Taliwang sale 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 project,” said John Proust, Chairman & Chief Executive Officer of Southern Arc.

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 holds two exploration 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% and is joint operator of Eagle Hill Exploration, which owns the high-grade Windfall Lake Gold Project in Quebec, Canada. More information is available at 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.