



NEWS RELEASE

Southern Arc Announces Results from Annual General Meeting

December 8, 2014 – Vancouver, BC – Southern Arc Minerals (TSX-V: SA, OTCQX: SOACF) (“Southern Arc” or “the Company”) shareholders approved the majority of matters put before them at the Company’s Annual General Meeting held on December 5, 2014, including re-election of the Board of Directors and approval of the Company’s Stock Option Plan and a new Shareholder Rights Plan.

Messrs. John Proust, Michael Andrews, David Stone, Robert Gallagher and Khalid Al-Obaidli were re-elected to the Board of Directors.

The Company’s executive team is led by John Proust as Chief Executive Officer, with Michael Andrews as President and Chief Operating Officer, Danny Lee as Chief Financial Officer, Rhylin Bailie as Vice President Communications & Investor Relations, and Eileen Au as Corporate Secretary. In recognition of the Company’s efforts to reduce costs, Andrew Rowe has resigned from his position as Executive Vice President to pursue a new opportunity with another mining company.

“On behalf of the Company, I would like to thank Andrew Rowe for his significant contributions to Southern Arc,” said John Proust, Chairman and Chief Executive Officer of Southern Arc. “Andrew has been an integral member of Southern Arc’s exploration team since 2006, and since 2012 has been chiefly responsible for all of Southern Arc’s Indonesian activities, including government and community relations. Andrew also brought great technical insight to Southern Arc’s investment in Eagle Hill and the review of other opportunities. We wish Andrew the best of success with his new opportunity.”

Re-Pricing Stock Options

Southern Arc shareholders did not approve the re-pricing of 7,935,000 incentive stock options issued to certain directors, officers, employees and consultants of the Company. As a result, the original exercise prices remain in effect, ranging from \$0.25 to \$2.00.

Stock Option Plan

Shareholders ratified the Company’s Stock Option Plan, which permits the Company to grant options from time to time for up to 10% of the number of shares outstanding.

Shareholder Rights Plan

Shareholders approved a new Shareholder Rights Plan Agreement (the “Rights Plan”). The Rights Plan has a one-year term and is subject to the approval of the TSX Venture Exchange. The Rights Plan has been adopted to ensure the fair treatment of all Southern Arc shareholders in connection with any possible take-over bid for the outstanding common shares of the Company. If a take-over bid should occur, the Rights Plan provides a mechanism to ensure that shareholders have adequate time to properly evaluate and assess a take-over bid without facing undue pressure. The Rights Plan also provides the Board of Directors with additional time to consider any take-over bid and, if applicable, to explore alternative transactions in order to maximize shareholder value. The Rights Plan is not designed to prevent take-over bids that treat the Company’s shareholders fairly. The Board of Directors is not currently aware of any pending or proposed take-over bid for Southern Arc.

Southern Arc Minerals Inc.

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**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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