

## NEWS RELEASE

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### **Southern Arc Provides an Update Regarding Financing for up to \$1 Million**

**January 7, 2016 – Vancouver, British Columbia – Southern Arc Minerals Inc. (TSX-V: SA)** (“Southern Arc” or the “Company”) today announced that the Company has received a number of inquiries from existing shareholders who are interested in participating in the Company’s previously announced private placement. Southern Arc would like to clarify that the offer is open to accredited investors and existing shareholders, subject to the Existing Shareholder Exemption outlined below.

As announced on January 4, 2016, the Company has negotiated the terms of a non-brokered private placement for up to \$1.0 million through the sale of up to 4.166 million Units at a price of \$0.24 per Unit. Each Unit will consist of one common share and one share purchase Warrant. Each Warrant will entitle the holder to purchase one common share of the Company for a period of five years at an exercise price of \$0.32. There is no minimum offering in connection with the private placement and there are no plans to increase the size of the private placement.

Interested shareholders should express their interest by the end of business on Tuesday, January 12, 2016 by contacting Southern Arc’s Corporate Secretary at [info@southernarcminerals.com](mailto:info@southernarcminerals.com) or by phone at 604-609-6147.

The private placement is subject to TSX Venture Exchange approval. No finder fees are payable in connection with this financing. Proceeds of the financing will be used for general working capital.

#### **Existing Shareholder Exemption**

Depending on demand and regulatory requirements, a portion of the private placement may be made in accordance with the provisions of the existing shareholder exemption (the “**Existing Shareholder Exemption**”) contained in BC Instrument 45-534 - Exemption From Prospectus Requirement For Certain Trades To Existing Security Holders and the various corresponding blanket orders and rules of participating jurisdictions, as well as the amendments to Rule 45-501- *Ontario Prospectus and Registration Exemptions* in Ontario. In addition to conducting the private placement pursuant to the Existing Shareholder Exemption, the private placement will also be conducted pursuant to other available prospectus exemptions, including sales to accredited investors.

While accredited investors can participate in the private placement no matter where they are based, United States based investors who are not accredited will unfortunately not be able to participate in the private placement.

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

*“John Proust”*

Executive 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 holds an

investment in Oban Mining Corporation, which is advancing the high-grade Windfall Lake Gold Project in Quebec, Canada, and has applied for 80 prospecting rights licenses in Northern Japan in an area with known gold occurrences and a history of mining. More information is available at [www.southernarcminerals.com](http://www.southernarcminerals.com).

### **Southern Arc Contact**

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*This document contains certain forward-looking information and forward-looking statements within the meaning of applicable securities legislation (collectively “forward-looking statements”). The use 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 following: uncertainty regarding the receipt and timing of approval of the TSX Venture Exchange; uncertainty regarding the completion of the financing; uncertainty regarding the effect of the financing on Southern Arc’s future share price and trading; uncertainties resulting from potential delays or changes in plans; and the occurrence of unexpected events. Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors. Southern Arc believes the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct.*