

**NEWS RELEASE**

**Southern Arc Completes Purchase of Existing Shares in Tethyan Resources PLC**

**December 08, 2016 – Vancouver, BC – Southern Arc Minerals Inc. (TSX-V: SA)** (“Southern Arc” or the “Company”) announces that further to its news release dated November 21, 2016 it has completed the purchase of 14,653,966 existing ordinary shares in Tethyan Resources PLC (AIM:TETH) (“Tethyan”) from Newmont Ventures Limited for C\$0.036 per share, as part of the Company’s strategy to become a strategic investor in Tethyan. Tethyan is an AIM quoted junior exploration company exploring for copper and gold within the Western Tethyan Orogenic Belt in the European Balkan Region. Southern Arc currently owns 29.15% of Tethyan’s issued and outstanding ordinary shares.

As previously announced, Southern Arc has agreed to subscribe for an additional 12.5 million new ordinary shares in Tethyan at a price of C\$0.036 per share (the “Additional Subscription”). The closing of the Additional Subscription remains subject to Tethyan obtaining shareholder approval at a meeting of its shareholders scheduled for December 12<sup>th</sup>, 2016. On closing of the Additional Subscription, Southern Arc will own 29.9% of Tethyan’s issued and outstanding ordinary shares.

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

*“John Proust”*

Chairman & CEO

**About Southern Arc**

Southern Arc Minerals Inc. is a Canadian mineral exploration company focused on gold and copper-gold exploration. The Company holds an interest in the West Lombok project in Indonesia, a resource-stage property with several gold-rich copper porphyry and epithermal gold vein prospects. Southern Arc holds a 42.9% interest in Japan Gold Corp., which has applied for 80 prospecting rights licenses in Japan in an area with known gold occurrences and a history of mining. Southern Arc also holds an investment in Osisko Mining Inc. (TSX: OSK), which is advancing a number of gold projects in Canada’s Abitibi Gold Belt, including the high-grade Windfall Lake Gold Project in Quebec, Canada. More information is available at [www.southernarcminerals.com](http://www.southernarcminerals.com) or by email at [info@southernarcminerals.com](mailto:info@southernarcminerals.com).

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**Cautionary Note**

*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.*

*This news release contains certain forward-looking information and forward-looking statements within the meaning of applicable securities legislation (collectively “forward-looking statements”). The use of any 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 news release contains forward-looking statements and assumptions pertaining to the Company’s proposed ownership percentage in Tethyan. Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors. The Company 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.*