

Island Arc Exploration Corp.
#678 – 235 First Avenue
Kamloops, BC V2C 3J4
Phone: 1-250-828-8728
Facsimile: 1-250-828-2269
www.islandarcexploration.com

June 2, 2009

TSX-V: IAX

**ISLAND ARC EXPLORATION CORP. COMPLETES \$166,000 NON-BROKERED PRIVATE
PLACEMENT**

Island Arc Exploration Corp. (the “Company”) is pleased to announce that, further to its news release dated May 11, 2009, it has completed a non-brokered private placement of 3,320,000 Units at a price per Unit of \$0.05 for gross proceeds of \$166,000. Each Unit consists of one common share in the capital of the Company and one-half of one non-transferable share purchase warrant, each whole warrant entitling the holder thereof to acquire one additional common share in the capital of the Company at a per share price of \$0.10 until June 2, 2010. All securities issued are subject to a four month hold period until October 3, 2009.

The Company has paid an aggregate \$1,200 as finder’s fees to two arm’s-length entities in connection with identification of subscribers to this private placement.

The proceeds from the private placement will be used to advance the Company’s mineral exploration projects in Niger, Africa and for general working capital.

For additional information, please contact:

James T. Gillis, President & CEO
Telephone: (250) 828-8728

This news release contains certain statements that may be deemed “forward-looking statements. Forward looking statements are statements that are not historical facts and are generally, but not always, identified by the words “expects”, “plans”, “anticipates”, “believes”, “intends”, “estimates”, “projects”, “potential” and similar expressions, or that events or conditions “will”, “would”, “may”, “could” or “should” occur. Although Island Arc Exploration Corp. believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or realities may differ materially from those in forward looking statements. Forward looking statements are based on the beliefs, estimates and opinions of Island Arc Exploration Corp.’s management on the date the statements are made. Except as required by law, Island Arc Exploration Corp. undertakes no obligation to update these forward-looking statements in the event that management’s beliefs, estimates or opinions, or other factors, should change.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.