



ARK terminates Territory Iron Sale

Sydney, 5 March 2019

Ark Mines Limited (ASX: AHK) (“Ark”) announces that the agreement for the sale of its Mount Porter and Frances Creek tenements to Territory Iron Pty Limited has been terminated by Ark with the consent of Chan Investments Limited (see announcement dated 23 July 2018).

Whilst the non-refundable \$500,000 deposit was paid by Territory Iron it defaulted in payment of the first tranche of the balance of the purchase price (\$1.5M) which was due to be paid on 17 December 2018. Ark issued a Notice to Complete the sale on 19 December 2018 and a Notice of Termination of the agreement on 4 March 2019 as a result of Territory Iron’s continuing default and the failure of negotiations on an acceptable alternative payment program.

In consequence of the termination of the agreement for sale the existing security to Chan Investments Limited over the tenements remains in place (see announcement dated 5 August 2018 for details).

Ark intends now to retain the subject tenements and seek a gold loan facility from another financier with a view to incorporating the repayment of the Chan Investments Limited loan, the purchase of a suitable plant and the siting thereof and the necessary preparation of its Glencoe and other tenements for ore production. The co-operation of owners of other suitable tenements in the Pine Creek region whose access to production plant has also been delayed is being invited.

Negotiations are continuing with other parties and lenders to advance this proposal and Chan Investments Limited is being kept informed of these developments.

By Order of the Board

Ian Mitchell
Company Secretary/Director