

ASX ANNOUNCEMENT

17 JANUARY 2022



MAGNETIC SURVEY TO COMMENCE AT GUNNAWARRA NICKEL-COBALT PROJECT

HIGHLIGHTS

- ❖ **Ark has engaged Ultramag Geophysics to undertake a detailed drone Magnetic survey across its Gunnawarra Ni Co project which will commence in late January**
- ❖ **Objective of the program is to better define the magnetic signature of the Ultra mafics at Gunnawarra and re-define drill targets**
- ❖ **Drilling of highly prospective Mount Jesse Iron rich magnetite skarn with copper mineralisation on track for this quarter subject to weather**

Queensland-focused exploration and project development company **Ark Mines Limited (ASX: AHK) ('Ark' 'the Company')** is pleased to report the commencement of exploration activity at its Gunnawarra Nickel-Cobalt Project (EPM 26560) with Ultramag Geophysics engaged to undertake a detailed drone Magnetic survey across the project in early February.

Gunnawarra surrounds the Bell Creek resource, a component of the Sconi cobalt project owned by Australian Mines Limited (ASX: AUZ), and Gunnawarra has strong coincidental Geophysics and outcrops pervades the tenement from the Bell Creek Resource.

It is expected the work will take around a week to complete, with a report available shortly after. The high-resolution magnetic surveys using UAVs (Dronemag) can rapidly identify geological structures such as dykes, sills, and other intrusions, faults, magmatic flows and paleochannels. Ultramag Dronemag provides very high spatial resolution. New small features can be mapped and used to inform the geological modelling. UAVs can fly over hard to reach and hazardous areas and can fly consistently and safely at low elevations. UAVs eliminate the need for large crews, refuelling stations, and risks associated with aircraft. Dronemag surveys provide comparable resolution to groundmag but with a much faster acquisition. Dronemag is about 10 times faster than ground mag, and a fraction of the cost.

A number of drill targets have previously been defined at Gunnawarra and the results of this survey will confirm these drill locations and likely define others.

The Gunnawarra Nickel-Cobalt Project (EPM 26560) is located ~40kms south from Mount Garnet in far-north Queensland, the project is close to existing infrastructure, including grid power, water and access to port facilities.

Subject to satisfactory weather conditions, Ark also confirms that it is on track to drill the fully permitted, highly prospective Mount Jesse Iron rich magnetite skarn with copper mineralisation late this quarter with the program designed to test existing targets and define new mineralization which is likely to occur along strike and in parallel structures that are present.

Executive Director Ben Emery commented: "Ark has a busy first quarter with work commencing this month on both projects to ensure our planned drill programs have maximum impact. Our projects have excellent potential and are fully permitted for drilling. The Ultramag program is a critical body of work that will enhance our geological understanding of Gunnawarra and help define more drill targets.

"We also expect to be on the ground at Mt Jesse later this month planning for the drill program and locking in more targets for both the copper and iron ore mineralisation. A more detailed overview of the Mt Jesse project is pending which we will release before month's end."

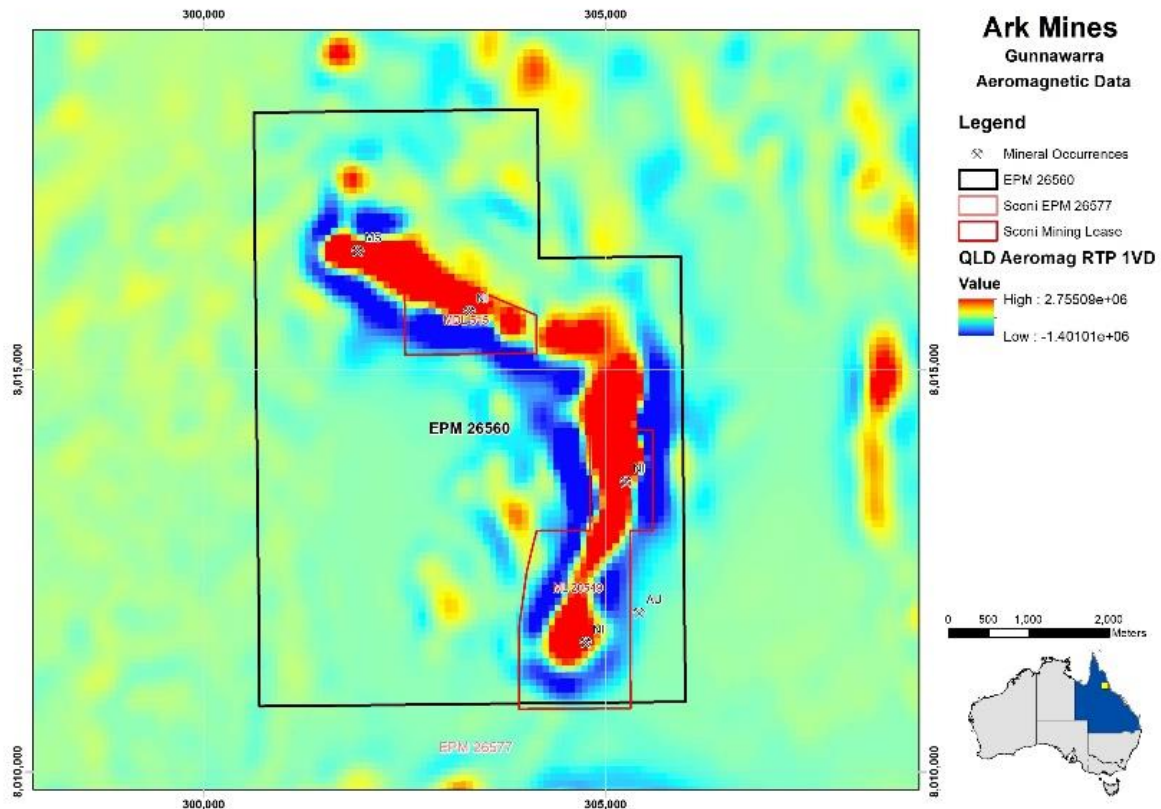


Image 1: Current Gunnawarra Aeromagnetic data

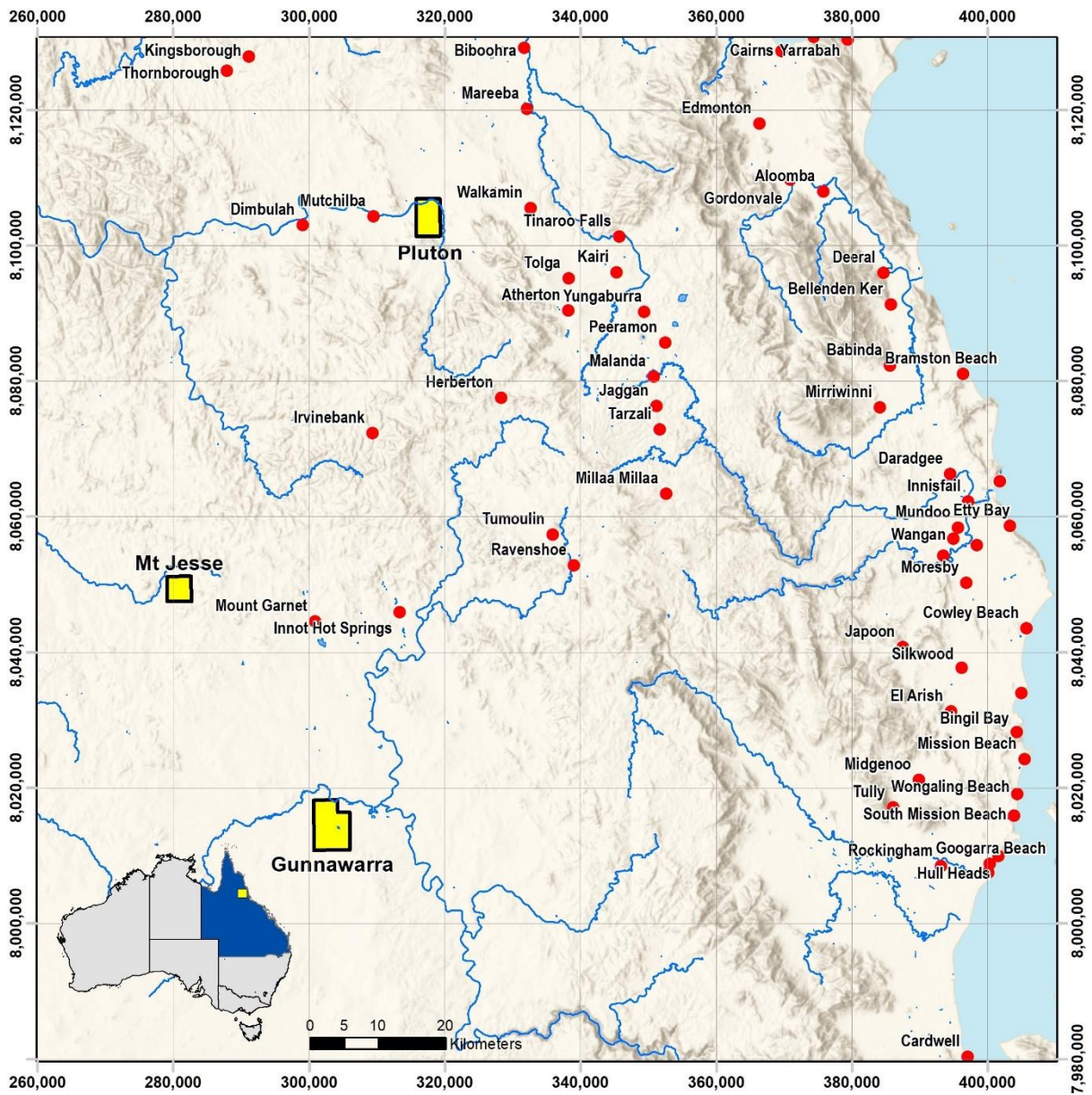


Image 2: Gunnawarra Ni Co project location

This announcement has been approved by the Board of Ark Mines Limited.

Further Information:

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About Ark Mines Limited

Ark Mines is an ASX listed Australian mineral exploration company focused on developing its 100% owned projects located in the prolific Mt Garnet and Greenvale mineral fields of Northern Queensland. The Company's exploration portfolio consists of three high quality projects over 65km² of tenure that are prospective for copper, iron ore, nickel-cobalt and porphyry gold:

Mt Jesse Copper-Iron project

- Project covers a tenure area of 12.4km² located ~25km west of Mt Garnet
- Centered on a copper rich magnetite skarn associated with porphyry style mineralization

- Three exposed historic iron formations
- Potential for near term production via toll treat and potential to direct ship

Gunnawarra Nickel-Cobalt project

- Comprised of 11 sub-blocks covering 36km²
- Borders Australian Mines Limited Sconi project - the most advanced Cobalt-Nickel-Scandium project in Australia
- Potential synergies with local processing facilities with export DSO Nickel/Cobalt partnership options

Pluton Porphyry Gold project

- Located ~90km SW of Cairns near Mareeba, QLD covering 18km²
- Prospective for gold and associated base metals (Ag, Cu, Mo)
- Porphyry outcrop discovered during initial field inspection coincides with regional scale geophysical interpretation.

Competent Persons Statement

The Information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Roger Jackson, who is a Fellow of the Australian Institute of Mining and Metallurgy. Mr Jackson is a director of the Company. Mr Jackson has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr Jackson consents to the inclusion of this information in the form and context in which it appears in this report.