

1 JULY 2025

CONTRACT AWARDED FOR RESOURCE-UPGRADE DRILL PROGRAM AT SANDY MITCHELL

Highlights

- Drilling contract signed with Australian Exploration Drilling for a planned 2,500 m drill program at the Sandy Mitchell Rare Earth and Heavy Minerals project in North Queensland.
- Program will utilise Air Core drilling through the sand column with Reverse Circulation finish at bedrock, followed by completion of the bedrock intercept metre to end the hole.
- Drill program design comprises a planned total of 194 vertical holes.
- Expected mean depth to be approximately 12.5 m, based on results from previous programmes.
- Spacing is 280 m by 280 m staggered on 16 drill lines, covering 15.7 km² beyond the 4.1km² existing MRE (ASX Announcement 2 Oct 2024) for a total 19.8km² grid drilled coverage.
- Forthcoming drill works will mark the third stage of a comprehensive resource definition drill program at Sandy Mitchell, which will build on the first two stages of resource drilling that have been completed.
- This third stage of drilling is designed to significantly increase the Mineral Resource at Sandy Mitchell from the current (ASX Announcement 2 Oct 2024) Measured Mineral Resource Estimate (MRE) of 71.8 Mt @ 1,732.7ppm Monazite Equivalent, calculated using a 700ppm MzEq lower cut-off grade.
- The programme is designed to target an eventual resource increase of approximately 260Mt, based on thickness of the existing resource and mineralisation in the reconnaissance drilling used to inform the 1,316Mt to 1,580Mt (ASX Announcement 6 Nov 2024) JORC Exploration Target.
- The anticipated expansion of the Measured resource will be incorporated into a comprehensive Pre-Feasibility Study (PFS) that is scheduled for completion in early CY2026.
- Assay results from the forthcoming drill campaign will be complemented by data analysis from the recently announced Metallurgy program to further support PFS project economics.

Ark Mines Limited (ASX: AHK) ('AHK' or the 'Company') is pleased to announce that following an extensive consultation process, it has signed a contract to commence the next phase of resource definition drilling at the Sandy Mitchell Rare Earth and Heavy Minerals project in North Queensland.

Ark has awarded the contract to Australian Exploration Drilling, who will commence a planned 2,500m drill program targeting an increase of approx. 260 Mt to the existing Measured Mineral Resource Estimate (MRE) at Sandy Mitchell of 71.8 Mt @ 1,732.7ppm Monazite Equivalent (MzEq).

Managing Director Ben Emery said: “The commencement of this resource expansion drill program marks a particularly exciting step for the Company, taking into account the success of previous drill campaigns which already resulted in a Measured resource at Sandy Mitchell. With this next round of drilling, we are confident of delivering a significant increase to the Measured resource of Monazite Equivalent. In turn, those results are expected to underpin a strong uplift in overall project economics when the data is incorporated into a comprehensive Pre-Feasibility Study, currently scheduled for completion early next year.”

“Alongside our field team, Ark management has been looking forward to the commencement of drilling, which is in line with our stated development strategy at Sandy Mitchell and follows the conclusion of the northern wet season. Alongside the forthcoming results from the expert metallurgy report we’ve commissioned through IHC Mining, Ark has a real opportunity to further consolidate Sandy Mitchell as one of Australia’s premier rare earth and heavy mineral projects, with a defined pathway to commercialisation through simple low-cost downstream processing.”

Resource definition drill program

The planned recommencement of drilling follows the completion of the Northern Australia wet season and will be supported by a recent \$1.5m Placement to professional and sophisticated investors (refer ASX Announcement 1 May 2025).

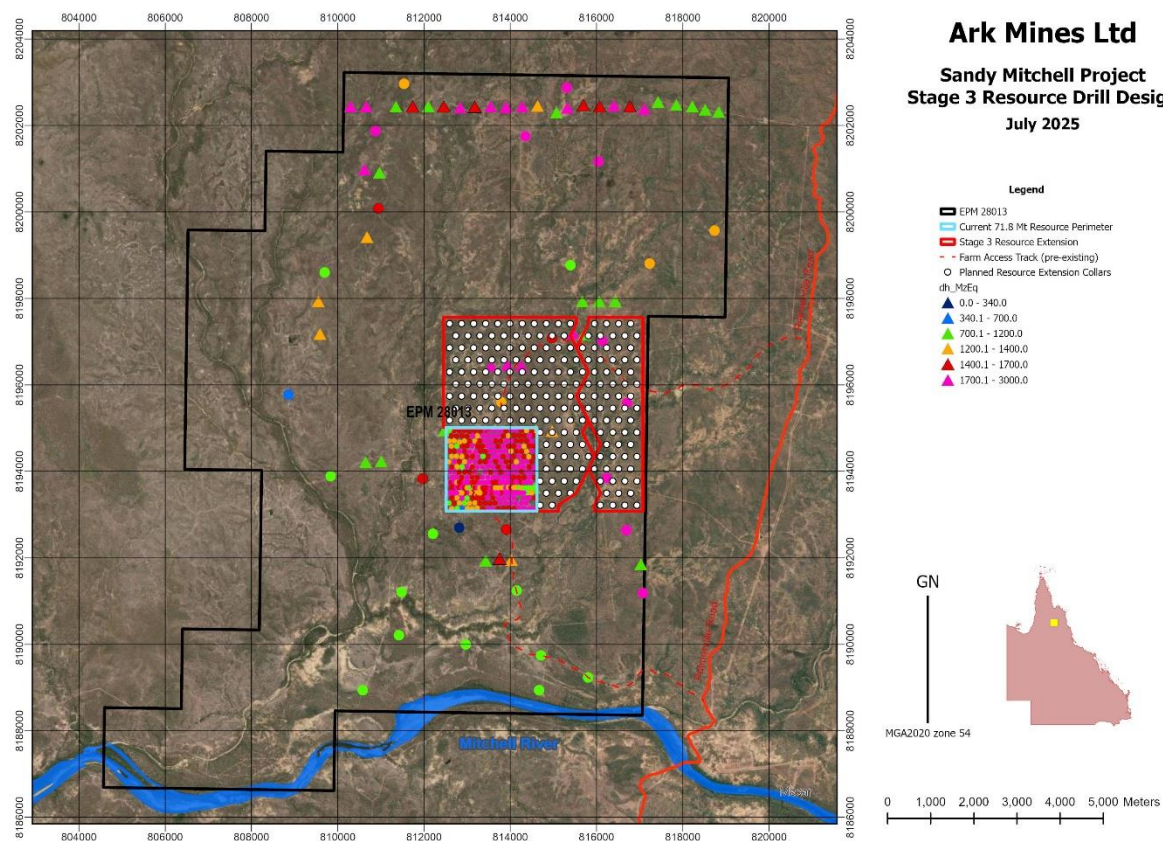


Image 1: Plan view of the drill design program at Sandy Mitchell. Designed holes are white, existing holes are coloured by grade.

The drill program will be carried out by Australian Exploration Drilling ('AED'), who were awarded the contract following an extensive consultation process. The program will utilise Air Core drilling through the sand column with Reverse Circulation drilling to finish at the bedrock, followed by completion of the bedrock intercept metre to end the hole.

AED will complete a planned total of 194 vertical holes with an expected mean depth of approximately 12.5m, consistent with previous programmes which resulted in the delivery of the maiden Measured resource where mineralisation was encountered from surface to the metamorphic bedrock at similar average depths, and supported by reconnaissance drilling used to support the 1,316Mt to 1,580Mt JORC Exploration Target (ASX Announcement 6 Nov 2024).

The drill program has been designed with each drill hole spaced 280m apart on a 16-drill line, which are themselves 280m apart, such that holes are staggered between lines to reduce the diagonal interval and support higher resolution variographic analysis and robust modelling.

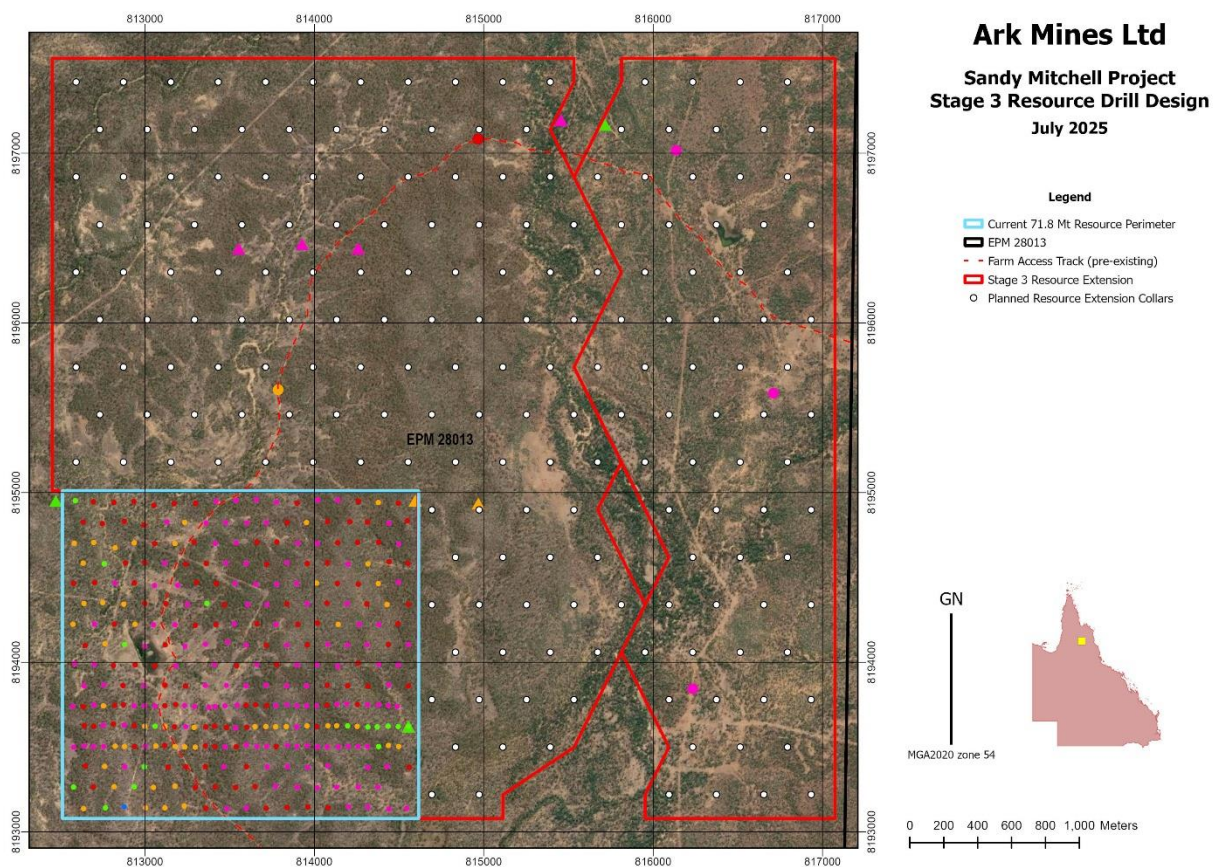


Image 2: Closeup plan view of the drill design program at Sandy Mitchell. Designed holes are white, existing holes are coloured by grade.

With the implementation of this next stage of drilling, Ark is targeting a significant expansion beyond the Measured resource of around 260 Mt, based on the existing MRE thickness and the mineralisation thickness in existing reconnaissance drilling. The additional resource will be incorporated into the commercial and economic calculations for Sandy Mitchell as part of a comprehensive Pre-Feasibility Study (PFS) that is scheduled for completion in early CY2026.

Assay results and subsequent JORC resource modelling from the forthcoming drill campaign will be complemented by data analysis from the recently announced Metallurgy program (*refer ASX Announcement 17 June 2025*) to further support the project economics for Ark's mine development strategy.

The entity confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and, in the case of estimates of mineral resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

AUTHORITY FOR RELEASE

This announcement has been approved for release to the ASX by the Board of Ark Mines Ltd.

FURTHER INFORMATION

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Visit our website and social media:

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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 Northern Queensland. The Company's exploration portfolio consists of four high quality projects.

The Flagship Sandy Mitchell Rare Earth and Heavy Mineral Project

- Ark owns 100% of the 147km² EPM 28013 'Sandy Mitchell' – an advanced Rare Earths Project in North Queensland with additional 138km² of sub blocks under application
- Measured Mineral Resource Estimate (MRE) of 71.8 Mt @ 1,732.7 ppm Monazite Equivalent calculated using a 700ppm MzEq lower cut-off grade (see Appendix A for Resource Report).
- Very high historical TREO grades* including high grade pan concentrates of:
- Project contains all critical Light Rare Earths as well as Heavy Rare Earths including dysprosium (Dy), terbium (Tb), holmium (Ho), erbium (Er), thulium (Tm) ytterbium (Yb), yttrium (Y) and excluding only Lutetium
- Up to 25% of the TREO is Nd and Pr (magnet metals)
- Rare Earths at 'Sandy Mitchell' are amenable to panning a concentrate; Planned low-cost, fast start up, straightforward beneficiation by gravity processing

Gunnawarra Nickel-Cobalt Project

- Comprised of 11 sub-blocks covering 36km²
- Borders Australian Mines Limited Sconi project - most advanced Co-Ni-Sc project in Australia

- Potential synergies with local processing facilities with export DSO Nickel/Cobalt partnership options

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

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 and a Fellow of the Australasian Institute of Geoscientists. Mr Jackson is a shareholder and 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. Mr Jackson confirms information in this market announcement is an accurate representation of the available data for the exploration areas being acquired.

Forward Looking Statements and Important Notice

This report contains forecasts, projections and forward-looking information. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions it can give no assurance that these will be achieved. Expectations and estimates and projections and information provided by the Company are not a guarantee of future performance and involve unknown risks and uncertainties, many of which are out of Ark Mines' control.

Actual results and developments will almost certainly differ materially from those expressed or implied. Ark Mines has not audited or investigated the accuracy or completeness of the information, statements and opinions contained in this announcement. To the maximum extent permitted by applicable laws, Ark Mines makes no representation and can give no assurance, guarantee or warranty, express or implied, as to, and takes no responsibility and assumes no liability for the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omission from, any information, statement or opinion contained in this report and without prejudice, to the generality of the foregoing, the achievement or accuracy of any forecasts, projections or other forward looking information contained or referred to in this report. Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities.