



## **Ark to acquire advanced Indonesian copper/gold project in company transforming transaction**

Ark Mines Ltd is pleased to announce that it has signed an agreement with Fullway Limited to acquire ownership and control of the Masuparia Contract of Work (COW) tenement in Central Kalimantan, Indonesia.

### **Masuparia COW**

- **US\$22,000,000 spent on exploration to date**
- **18,000m of diamond drilling completed**
- **Ongkang Gold deposit will be in production within twelve months**
- **Ark can significantly upgrade Ongkang with limited infill drilling**
- **JORC resource on Ongkang will be undertaken upon purchase**
- **Project lies within Indonesia's Ring of Fire**
- **Total acquisition cost of AUD\$4 million cash and issue of 10 million Ark shares @ 20c**
- **An initial placement will be made to make the first payment of \$1,000,000 in the next 7 days using existing placement capacity**
- **6 major projects and numerous other targets across 20,840 ha**
- **Bonanza Gold grades in the Epithermal Zones**
- **Mineralisation deeper than 850m in the Porphyry Gold -Copper Targets**
- **Significant mine accommodation and Infrastructure**
- **River transport to major port**
- **6<sup>th</sup> Generation Contract of Work**
- **Advanced forestry permitting**
- **Walk-up operation - established team and all facilities in Jakarta and Kalimantan**
- **Ark to continue advancing exploration on NSW projects**

**Sydney, 13 September 2011:** Ark Mines Ltd (**ASX: AHK**) today announced that it will acquire 100% of Sphere Complex Limited, a company which is the indirect majority owner and controller of PT PMM (99.999575 %) which holds a highly prospective and advanced exploration project, the Masuparia Contract of Work (COW) ("Masuparia") located in Central Kalimantan, Indonesia.

The project is located in a region well known for copper-gold projects. The Mount Muro, gold project, which has historically produced 1.3 m oz Au, is located 20 kilometres from Masuparia, and the Kelian gold project, which to date has produced 7 million ounces of gold, is in the same region.

The Masuparia project is supported by a fully functioning office in Jakarta, headed by an Australian geologist with 25 years' experience working in Indonesia, and three senior



Indonesian geologists with a combined 40 years' experience. There is also an operational base camp at Masuparia with all accommodation, communication and staffing facilities.

Under the terms of the agreement, Ark will acquire the business and COW for \$4 million cash, and issue the vendors 10M Ark shares. Ark will be funding this through equity. All personnel currently engaged on the project will continue to operate as part of Ark.



Wells, Griffiths and McQuinn

Ark's Managing Director Roger Jackson said: "This is a very exciting acquisition for Ark, as this advanced project gives us the capability to be producing gold within twelve months\*, and the opportunity to define significant resources on the tenement. These are likely to be world class deposits as this is a geologically stunning location."

"Also encouraging about Masuparia is that it is well serviced by existing infrastructure, and with several mines in the region, toll treatment options are also potentially available. The project is well supported by a talented team of professionals, and with all infrastructure in place in Jakarta and near to the project, this is a walk-up opportunity for Ark."

The agreement should be finalised within six weeks from today and is subject to shareholder approval and the completion of funding to finalise the purchase and initiate a drilling program at Masuparia.

Mr Jackson added that Ark will remain active in the development of its New South Wales assets, and these are a priority for the company. "We currently have a RC rig operating in New South Wales and we remain committed to the development of these projects. Due to our successes, we propose to raise additional funds (equity) to further drill the Gundabooka,

Babinda and Persverance Projects This transaction does not alter our program in the Lachlan Fold Belt and we will continue to keep shareholders informed of our progress here.”

\*Feasibility study completed by PT PMM



Figure 1: Drilling at Masuparia

## THE PROJECTS

There are seven advanced projects in Masuparia, with a further nine projects within the eight principal exploration areas, which are significant on the COW. The Ongkang is the most advanced with production likely to commence within twelve months. These are:

- The **Ongkang and 290 Veins** – Low Sulphidation targets that require minimal additional drilling to define a substantial gold resource.

The principal gold area is along the Ongkang vein system, which is one of at least six separate gold-silver veins.

Significant drilling has been undertaken but with further exploration upon the purchase and permitting completion, ARK will be aiming for a target of between 600,000 and 1,000,000 tonnes of between 5 and 8 grams of gold. This is anticipated to be done with five diamond drill holes.

Note: The potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

However the basis for this target is the substantial data obtained from drilling (18,000m +) and two feasibility studies the company has completed.

## Significant Intercepts with other metals

- 6m @420.27 g/t Au 106.67 g/t Ag 1.17% Cu 0.38% Pb 0.75% Zn from 22m to 28m with 2m @ 1162.96 g/t Au.
- 10m @10.53 g/t Au 74.2 g/t Ag 0.44 % Cu 0.23% Pb 0.55% Zn.

| Hole   | From(m) | To(m) | Interval(m) | Au(g/T) | Interval by Grade | Ag(g/T) | North(m)To | East(m)To | Level(m)To |
|--------|---------|-------|-------------|---------|-------------------|---------|------------|-----------|------------|
| OND26B | 14      | 28    | 14          | 180.79  | 2531.06           | 54.26   | 10620.054  | 9904.565  | 231.716    |
| OND23C | 66      | 68    | 2           | 49.17   | 98.34             | 6       | 10276      | 10084.5   | 147.976    |
| OND04  | 191     | 193   | 2           | 22.5    | 45                | 6.5     | 10559.198  | 9980.593  | 123.123    |
| OND08  | 242     | 244   | 2           | 13.17   | 26.34             | 13      | 10424.8    | 10087     | 126.246    |
| OND10  | 75      | 80.4  | 5.4         | 12.98   | 70.092            | 26.74   | 10475.66   | 10067.779 | 241.299    |
| OND26B | 8       | 10    | 2           | 12.5    | 25                | 138     | 10620      | 9907.671  | 243.307    |
| OND01  | 67      | 71    | 4           | 11.05   | 44.2              | 9.75    | 10275.879  | 10105.676 | 151.444    |
| OND19  | 137     | 138   | 1           | 11      | 11                | 6       | 10486.482  | 10121.933 | 187.635    |
| OND24A | 70      | 80    | 10          | 10.53   | 105.3             | 119.56  | 10330.492  | 10088.85  | 163.45     |
| OND01  | 51      | 55    | 4           | 10      | 40                | 11.63   | 10275.879  | 10097.676 | 165.301    |
| OND23C | 84      | 90    | 6           | 7.61    | 45.66             | 4       | 10276      | 10094.5   | 130.656    |
| OND24B | 146     | 148   | 2           | 7       | 14                | 7.9     | 10328.637  | 10105.357 | 90.554     |
| OND04  | 157     | 161   | 4           | 6.3     | 25.2              | 39      | 10559.198  | 9997.093  | 151.702    |
| OND25B | 6       | 10    | 4           | 6.04    | 24.16             | 1.15    | 10469      | 10007.167 | 257.743    |
| OND16  | 108     | 110.5 | 2.5         | 6       | 15                | 1       | 11297.298  | 9734.48   | 318.439    |
| OND08  | 235     | 237   | 2           | 5.5     | 11                | 2       | 10424.8    | 10090.5   | 132.308    |
| OND03  | 97.7    | 114   | 16.3        | 4.95    | 80.685            | 39.72   | 10422.5    | 10074.766 | 212.657    |
| OND27A | 54      | 56    | 2           | 4.8     | 9.6               | 5.2     | 10225.9    | 10163.208 | 172.089    |
| OND12  | 130.6   | 139   | 8.4         | 4.4     | 36.96             | 205.71  | 10590.103  | 10001.079 | 181.5      |
| OND25B | 16      | 22    | 6           | 4.37    | 26.22             | 16.3    | 10469      | 10011.758 | 247.747    |
| OND25B | 30      | 40    | 10          | 4.31    | 43.1              | 4.44    | 10469      | 10018.352 | 233.169    |
| OND03  | 85.5    | 89.6  | 4.1         | 4.06    | 16.646            | 3.45    | 10422.5    | 10082.5   | 229.243    |
| OND23A | 104     | 108   | 4           | 3.5     | 14                | 2.75    | 10276      | 10119.135 | 124.799    |
| OND23A | 62      | 94    | 32          | 3.44    | 110.08            | 18.3    | 10276      | 10101.137 | 146.249    |
| OND22  | 144     | 148   | 4           | 3.26    | 13.04             | 3.3     | 10496.6    | 10053.647 | 153.218    |
| OND24A | 150     | 152   | 2           | 2.83    | 5.66              | 12.9    | 10328.183  | 10132.106 | 101.009    |
| OND24B | 196     | 198   | 2           | 2.62    | 5.24              | 2.4     | 10327.036  | 10124.827 | 44.529     |
| OND10  | 148     | 152   | 4           | 2.45    | 9.8               | 0.67    | 10470.006  | 10035.712 | 176.748    |
| OND26  | 4       | 18    | 14          | 2.45    | 34.3              | 32.57   | 10620      | 9902.233  | 244.211    |
| OND24A | 140     | 144   | 4           | 2.31    | 9.24              | 14.7    | 10328.632  | 10126.967 | 108.383    |
| OND01  | 20.7    | 24.6  | 3.9         | 2.22    | 8.658             | 11.08   | 10275.879  | 10082.501 | 191.585    |
| OND01  | 87      | 97    | 10          | 2.1     | 21                | 3.38    | 10275.879  | 10117.176 | 131.526    |
| OND09  | 9.1     | 15.2  | 6.1         | 2.05    | 12.505            | 14.11   | 10230.171  | 10150.85  | 216.839    |
| OND01  | 4.9     | 10.8  | 5.9         | 1.79    | 10.561            | 10      | 10275.879  | 10075.101 | 204.402    |
| OND24A | 18      | 28    | 10          | 1.74    | 17.4              | 10      | 10331      | 10059.176 | 206.148    |
| OND26A | 8       | 20    | 12          | 1.72    | 20.64             | 50.97   | 10620      | 9902.972  | 239.892    |
| OND19  | 111.86  | 120   | 8.14        | 1.67    | 13.5938           | 5.34    | 10491.137  | 10126.929 | 208.096    |
| OND03  | 142     | 155.1 | 13.1        | 1.61    | 21.091            | 11      | 10422.5    | 10056.72  | 173.958    |
| OND02  | 0.01    | 3.8   | 3.79        | 1.6     | 6.064             | 5       | 10282.6    | 9998.852  | 195.75     |
| OND23A | 52      | 58    | 6           | 1.35    | 8.1               | 7.53    | 10276      | 10086.353 | 163.868    |
| OND08  | 268     | 274.6 | 6.6         | 1.3     | 8.58              | 3.75    | 10424.8    | 10072.85  | 101.737    |
| OND24A | 108     | 116   | 8           | 1.28    | 10.24             | 6.1     | 10329.718  | 10109.872 | 133.012    |
| OND05  | 85      | 91    | 6           | 1.26    | 7.56              | 6.83    | 10620.4    | 9936.9    | 201.66     |
| OND24B | 88      | 122   | 34          | 1.19    | 40.46             | 4.45    | 10329.757  | 10088.935 | 129.195    |
| OND25B | 56      | 72    | 16          | 1.18    | 18.88             | 3.54    | 10468.986  | 10030.055 | 206.635    |
| OND01  | 75      | 83    | 8           | 1.13    | 9.04              | 7.75    | 10275.879  | 10110.676 | 142.784    |
| OND25A | 54      | 94    | 40          | 1.06    | 42.4              | 17.32   | 10469      | 10045.847 | 177.607    |
| OND23C | 98      | 114   | 16          | 1.04    | 16.64             | 5.82    | 10276      | 10104     | 114.201    |
| OND19  | 94      | 102   | 8           | 0.93    | 7.44              | 5.23    | 10495.145  | 10131.111 | 225.064    |
| OND24A | 86      | 104   | 18          | 0.82    | 14.76             | 5.99    | 10330.095  | 10100.217 | 146.999    |
| OND25A | 98      | 106   | 8           | 0.67    | 5.36              | 4.2     | 10469      | 10061.551 | 154.425    |
| OND17  | 67      | 83.92 | 16.92       | 0.63    | 10.6596           | 1.07    | 11386.501  | 9774.634  | 361.134    |
| OND23B | 62      | 72    | 10          | 0.59    | 5.9               | 4.06    | 10276      | 10084.5   | 147.976    |

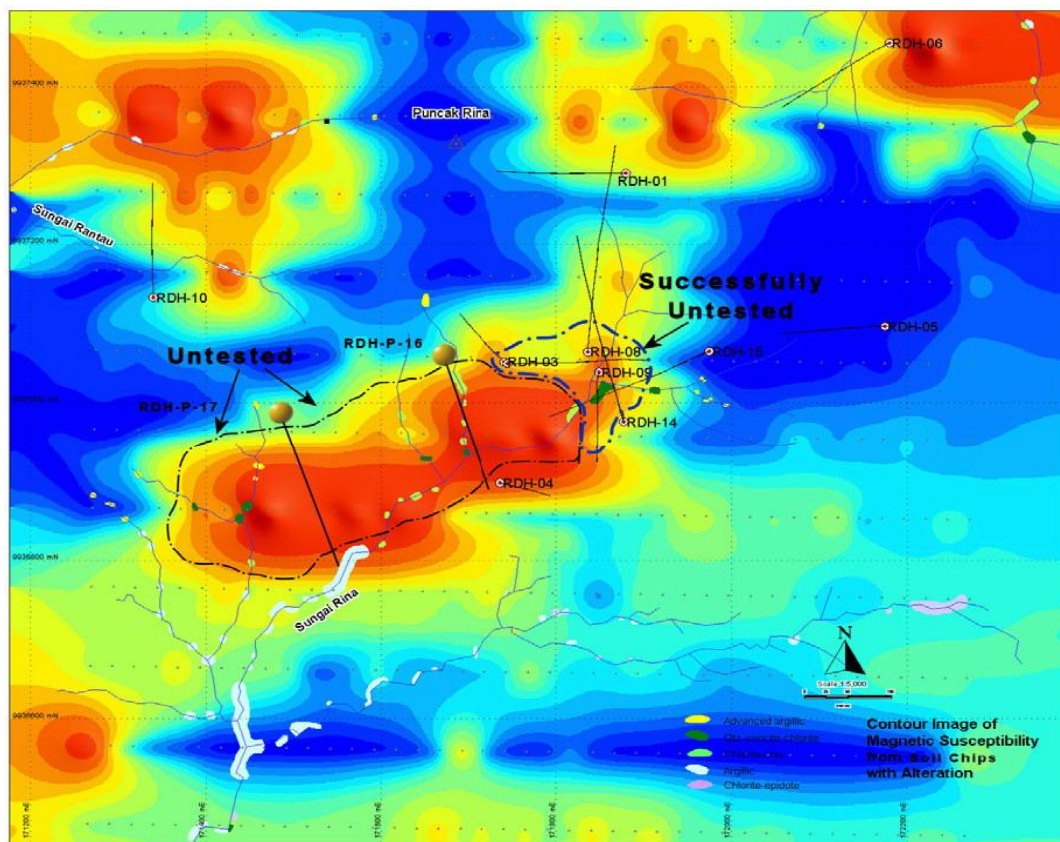
Figure 2: Ongkang Significant Drill Intercepts



- The **Rina Project** that has drill intercepts of Porphyry Copper – Gold mineralisation of 750m + , 10m from surface, and broad zones (+ 100m) of + 0.25% Cu, and 0.5 g/t Au. The hole was terminated due to rig capacity. The petrology indicates better grades at depth and into the core of the Porphyry.

| Hole      | From (m) | To (m) | Interval (m) | Cu % | Au g/t |
|-----------|----------|--------|--------------|------|--------|
| RDH - 02  | 2        | 312    | 310          | 0.18 | 0.32   |
| including | 140      | 312    | 172          | 0.26 | 0.50   |
| RDH - 08  | 0        | 500    | 500          | 0.11 | 0.18   |
| including | 214      | 326    | 112          | 0.21 | 0.38   |
| RDH - 09  | 5        | 135    | 130          | 0.22 | 0.23   |
| RDH - 14  | 78       | 862.8  | 785          | 0.15 | 0.18   |
| including | 104      | 312    | 208          | 0.17 | 0.26   |
| and       | 202      | 256    | 54           | 0.20 | 0.40   |
| and       | 513      | 864    | 341          | 0.19 | 0.18   |
| RDH 15    | 231      | 342    | 111          | 0.23 | 0.29   |

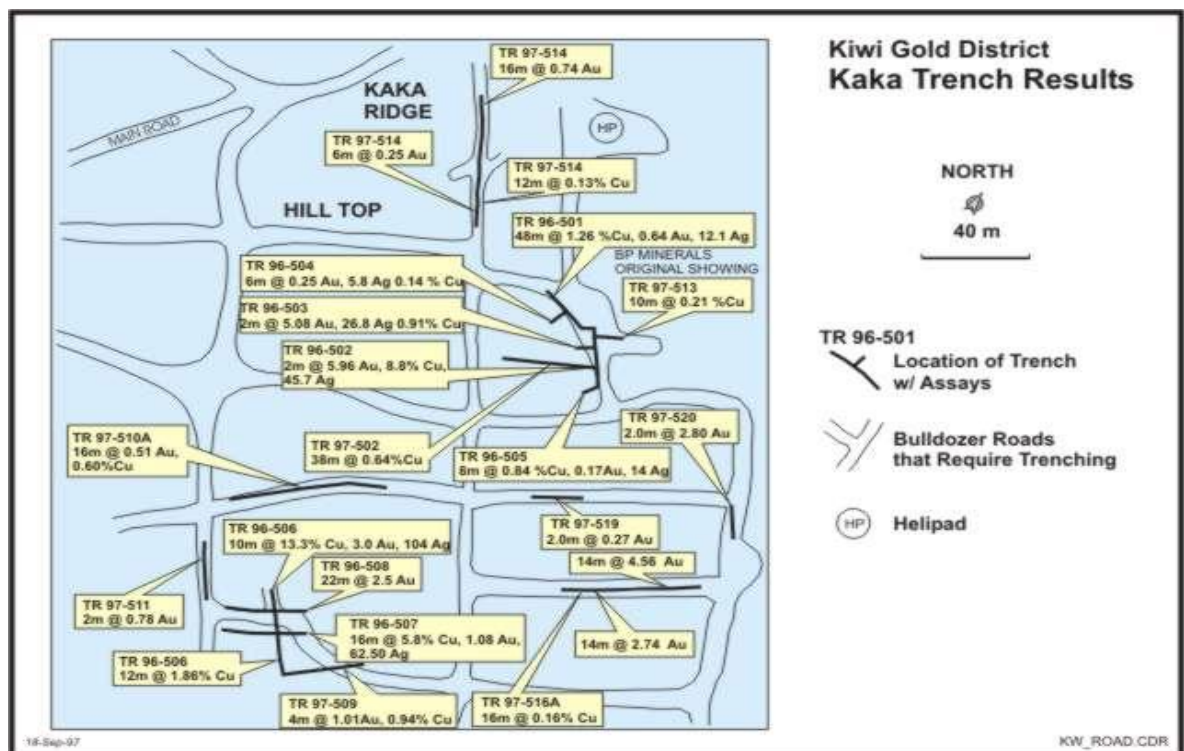
**Figure 3: Rina Significant Drill Intercepts**



**Figure 4: Rina Drill Locations and Magnetic Susceptibility Contour**

- **G. Menyawang Project**, a large High Sulphidation target with potential for oxide gold in silica cap (Yanacocha model); enargite copper – gold beneath silica cap (Lepanto model) and porphyry copper – gold at depth (FSE model).
- The **Kaka Project** that has stratiform copper mineralisation outcropping at surface and spectacular trench results.

| <u>Trench</u> | <u>Width(m)</u> | <u>Assay Results</u> |              |
|---------------|-----------------|----------------------|--------------|
| TR96-501      | 48.00           | 1.26% Cu             |              |
| TR96-502      | 2.00            | 8.30% Cu             |              |
| TR96-506      | 10.00           | 13.30% Cu            | 3.00 g/t Au  |
| TR96-507      | 48.00           | 5.80% Cu             |              |
| TR96-508      | 20.00           |                      | 2.25 g/t Au  |
| TR97-501      | 48.00           | 1.26% Cu             |              |
| TR97-502      | 2.00            | 8.83% Cu             | 5.96 g/t Au  |
| TR97-503      | 2.00            |                      | 5.08 g/t Au  |
| TR97-505      | 8.00            | 1.08% Cu             |              |
| TR97-506      | 10.00           | 13.40% Cu            | 6.69 g/t Au  |
| TR97-507      | 16.00           | 5.18% Cu             | 1.08 g/t Au  |
| TR97-508      | 4.00            | 1.11% Cu             | 32.10 g/t Au |
| TR97-516A     | 14.00           |                      | 4.60 g/t Au  |



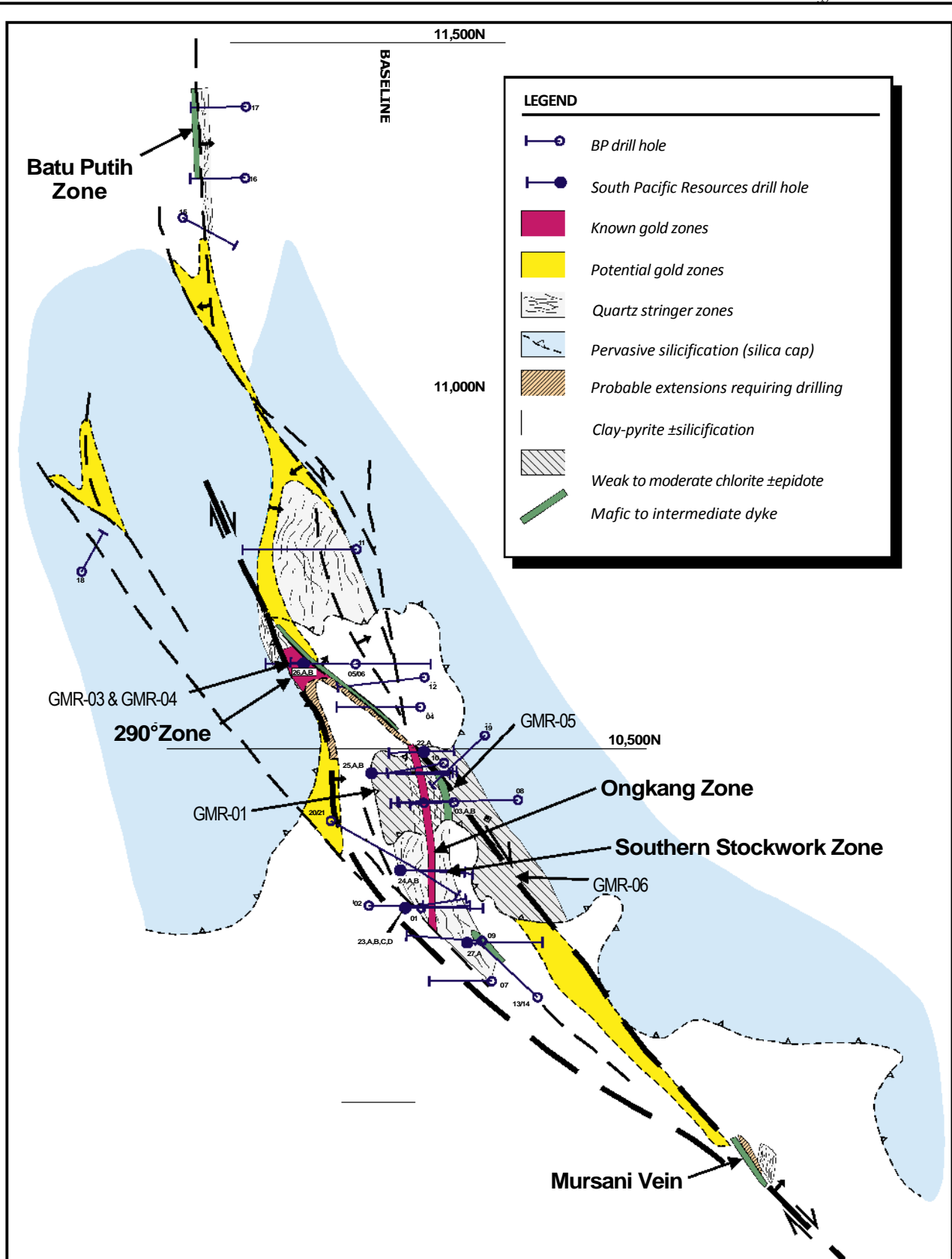


- The **Balai Deder –Torajan** project has potential for Kelian style (+ 5 M oz) mesothermal gold mineralisation in altered andesite.
- **Tosa – Uchang – Kunyi and Kiwi – Kea** project areas have potential for Mt Muro style (+1.5M oz Au – Ag) epithermal gold silver mineralisation in quartz and hydrothermal breccias.

| <b>KIWI PROSPECT: SIGNIFICANT DRILLHOLE RESULTS</b> |              |              |                             |
|---|--------------|--------------|-----------------------------|
| <b>HOLE NO.</b>                                     | <b>FROM</b>  | <b>TO</b>    | <b>SIGNIFICANT Au (ppm)</b> |
| <b>KID 08</b>                                       | <b>52.00</b> | <b>70.00</b> | <b>18 m @ 0.57 Au</b>       |
| <b>KID 16B</b>                                      | <b>6.00</b>  | <b>22.00</b> | <b>16 m @ 1.09 Au</b>       |
| <b>KID 20</b>                                       | <b>64.00</b> | <b>76.00</b> | <b>12 m @ 0.63 Au</b>       |
|   | <b>88.00</b> | <b>91.00</b> | <b>3 m @ 0.87 Au</b>        |
| <b>KID 26</b>                                       | <b>0.00</b>  | <b>4.00</b>  | <b>4 m @ 1.43 Au</b>        |
|   | <b>19.00</b> | <b>28.00</b> | <b>9 m @ 0.72 Au</b>        |
| <b>KID 27</b>                                       | <b>1.00</b>  | <b>4.00</b>  | <b>3 m @ 1.17 Au</b>        |
| <b>KID 27A</b>                                      | <b>1.00</b>  | <b>12.00</b> | <b>11 m @ 1.20 Au</b>       |
| <b>KID 30</b>                                       | <b>46.00</b> | <b>52.00</b> | <b>6 m @ 1.08 Au</b>        |

| <b>KEA PROSPECT: SIGNIFICANT DRILLHOLE RESULTS</b> |              |              |                             |
|--|--------------|--------------|-----------------------------|
| <b>HOLE NO.</b>                                    | <b>FROM</b>  | <b>TO</b>    | <b>SIGNIFICANT Au (ppm)</b> |
| <b>KED 07</b>                                      | <b>37.00</b> | <b>61.00</b> | <b>24 m @ 0.62 Au</b>       |
| <b>KED 08</b>                                      | <b>22.00</b> | <b>58.00</b> | <b>36 m @ 0.47 Au</b>       |
| <b>KED 10A</b>                                     | <b>0.00</b>  | <b>16.00</b> | <b>16 m @ 2.06 Au</b>       |
|  | <b>6.00</b>  | <b>7.00</b>  | <b>1 m @ 23.67 Au</b>       |
| <b>KED 14</b>                                      | <b>1.00</b>  | <b>2.00</b>  | <b>1 m @ 3.86 Au</b>        |
|  | <b>40.00</b> | <b>46.00</b> | <b>6 m @ 0.57 Au</b>        |
| <b>KED 15A</b>                                     | <b>0.00</b>  | <b>79.00</b> | <b>79 m @ 0.44 Au</b>       |
|  | <b>31.00</b> | <b>79.00</b> | <b>48 m @ 0.61 Au</b>       |
|  | <b>46.00</b> | <b>67.00</b> | <b>21 m @ 0.75 Au</b>       |
| <b>KED 17</b>                                      | <b>43.00</b> | <b>58.00</b> | <b>15 m @ 0.84 Au</b>       |
|  | <b>43.00</b> | <b>46.00</b> | <b>3 m @ 1.26 Au</b>        |
|  | <b>55.00</b> | <b>58.00</b> | <b>3 m @ 1.68 Au</b>        |
| <b>KED 17A</b>                                     | <b>19.00</b> | <b>28.00</b> | <b>9 m @ 0.59 Au</b>        |
|  | <b>55.00</b> | <b>58.00</b> | <b>3 m @ 4.33 Au</b>        |
|  | <b>73.00</b> | <b>79.00</b> | <b>6 m @ 0.65 Au</b>        |
| <b>KED 18</b>                                      | <b>19.00</b> | <b>28.00</b> | <b>9 m @ 0.95 Au</b>        |
|  | <b>25.00</b> | <b>28.00</b> | <b>3 m @ 1.47 Au</b>        |
| <b>KED 19</b>                                      | <b>6.00</b>  | <b>13.00</b> | <b>7 m @ 0.82 Au</b>        |
|  | <b>25.00</b> | <b>31.00</b> | <b>6 m @ 0.96 Au</b>        |
|  | <b>85.00</b> | <b>88.00</b> | <b>3 m @ 1.56 Au</b>        |
| <b>KED 19A</b>                                     | <b>0.00</b>  | <b>85.00</b> | <b>85 m @ 0.34 Au</b>       |





**LEGEND**

- BP drill hole
- South Pacific Resources drill hole
- Known gold zones
- Potential gold zones
- Quartz stringer zones
- Pervasive silicification (silica cap)
- Probable extensions requiring drilling
- Clay-pyrite ±silicification
- Weak to moderate chlorite ±epidote
- Mafic to intermediate dyke

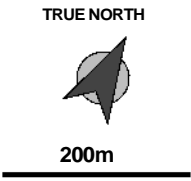


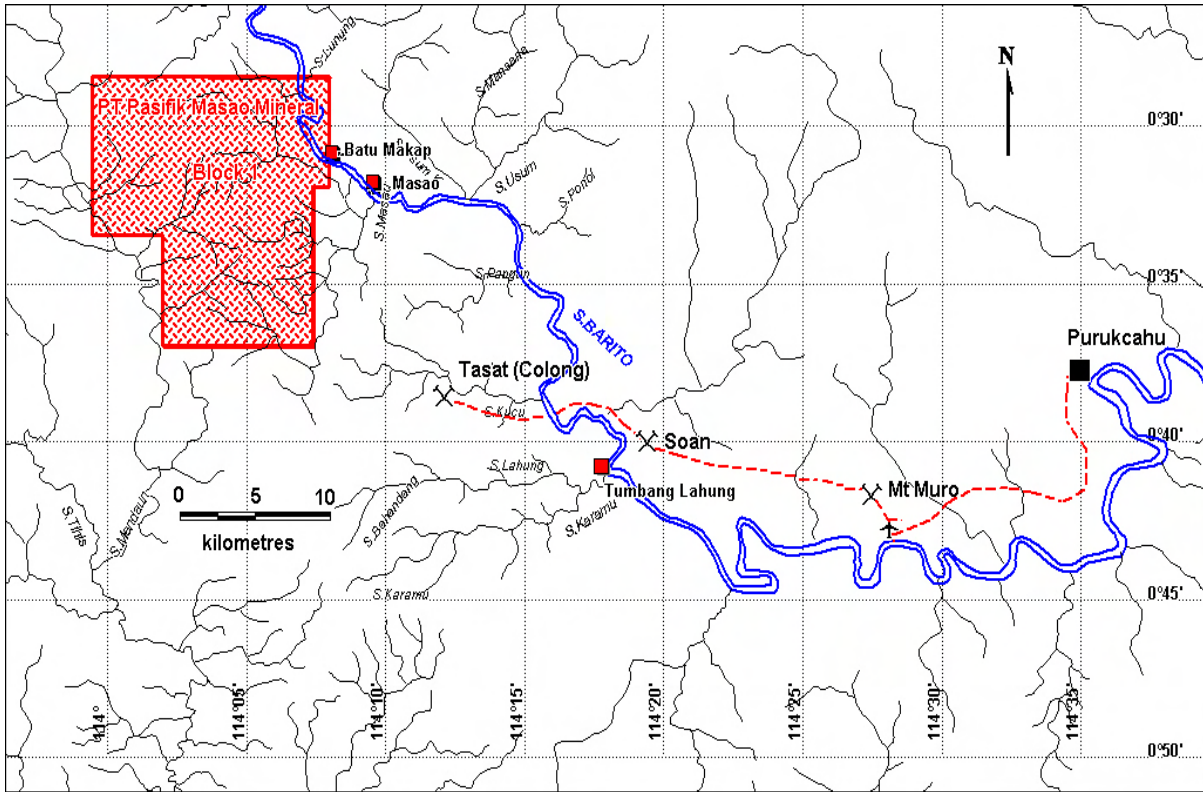
Figure 11.

**GOLDEN ARROW RESOURCES LTD.**

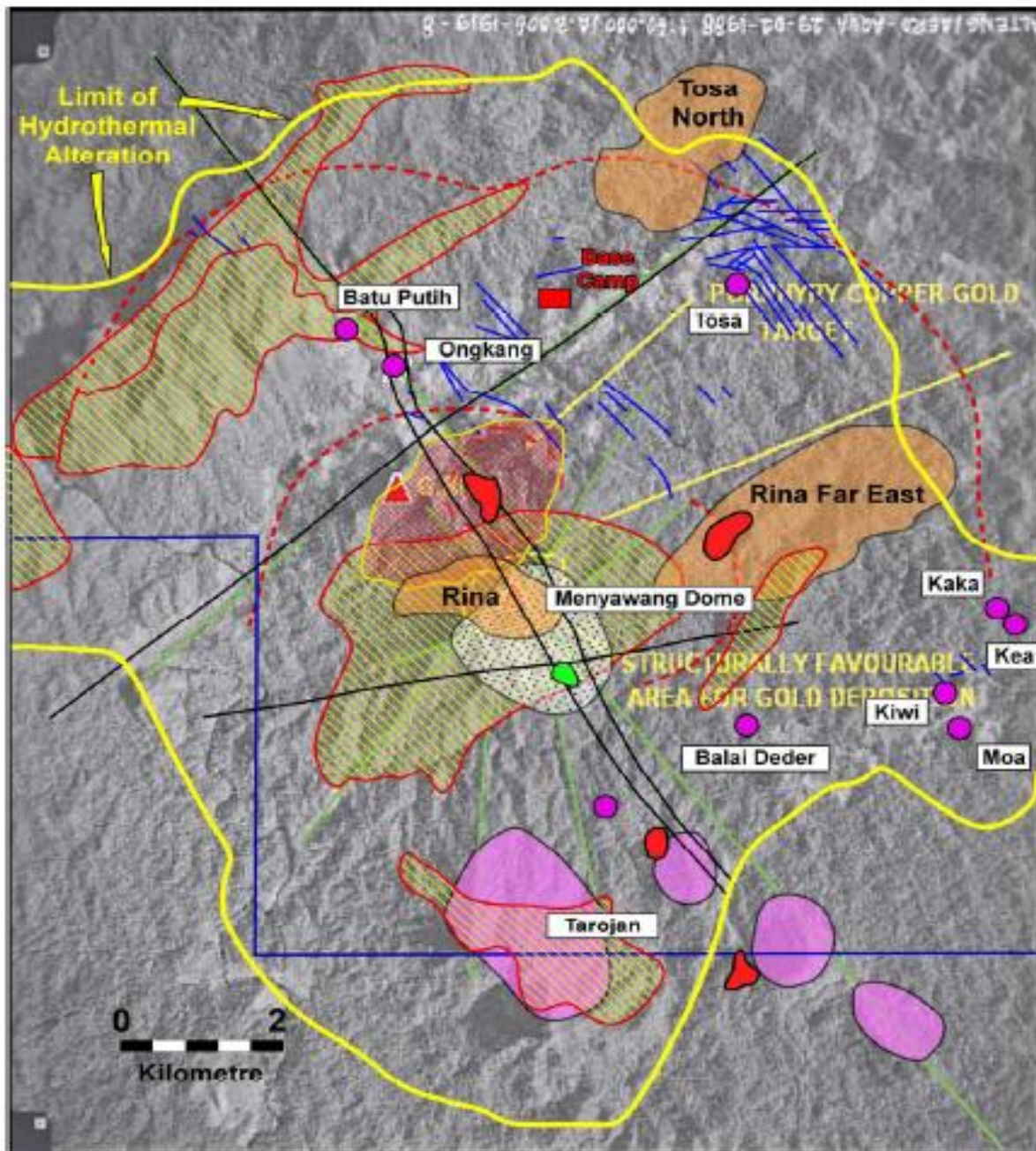
**MASUPARIA COPPER-GOLD PROPERTY**  
 Kapuas and Murung Raya Regencies, Central Kalimantan Province  
 Republic of Indonesia

*Map of Ongkang Prospect*

Figure 5: Ongkang structural vein study – known and potential gold zones



**Figure 6: COW Location in Central Kalimantan**



**Figure 7: Locations of Projects on Masuparia**





**Figure 8: Masuparia Base Camp**



**TABLES TO DRILL RESULTS**

Note: True widths in this instance cannot be determined

| Hole No | Easting  | Northing | Depth to EOH m | Dip | Azimuth |
|---------|----------|----------|----------------|-----|---------|
| OND26B  | 170940mE | 39485mN  | 74             | 60  | 240     |

**Figure 9: Ongkang Significant drill intercept collar locations**

| Hole No   | From | To  | Au g/t  | Ag g/t | Cu ppm | Pb ppm | Zn ppm |
|---|------|-----|---------|--------|--------|--------|--------|
| OND26B  | 20m  | 22m | 95.83   | 116.00 | 290    | 33     | 88     |
|   | 22m  | 24m | 2.02    | 34.00  | 156    | 41     | 125    |
|   | 24m  | 26m | 1162.96 | 170.00 | 3060   | 1080   | 2060   |
| Numbers of drill holes at the specific Projects |      |     |         |        |        |        |        |
| Tosa  |      |     |         |        |        |        | 20     |
| Kiwi Kaka Kea                                   |      |     |         |        |        |        | 100    |
| Menyawang                                       |      |     |         |        |        |        | 20     |
| Rina  |      |     |         |        |        |        | 50     |
| Ongkang   |      |     |         |        |        |        | 50     |

**Table 1 Rina Drill Collar locations**

| Hole Number | Easting   | Northing   | Hole Azimuth NE | Hole Inclination | TOTAL DEPTH(M) |
|-------------|-----------|------------|-----------------|------------------|----------------|
| RDH-02      | 171745.00 | 9937050.00 | 90              | -60.0            | 312.0          |
| RDH-08      | 171855.00 | 9937020.00 | 4               | -62.0            | 500.0          |
| RDH-09      | 171845.00 | 9937000.00 | 190             | -64.0            | 254.5          |
| RDH-14      | 171877.41 | 9936975.75 | 345             | -75.0            | 863.0          |
| RDH-15      | 171974.78 | 9937064.82 | 250             | -75.0            | 900.0          |

**Table 2 Kiwi drill collar locations**

| Hole Number | Easting | Northing | Hole Azimuth NE | Hole Inclination | TOTAL DEPTH(M) |
|-------------|---------|----------|-----------------|------------------|----------------|
| KID-08*     | 178354  | 9935234  | 240             | -60              | 70             |
| KID-16B     | 178834  | 9935076  | 120             | -60              | 100            |
| KID-20      | 178985  | 9935190  | 0               | -60              | 99             |
| KID-26      | 179458  | 9935213  | 0               | -60              | 79             |
| KID-27      | 179517  | 9935194  | 0               | -60              | 48             |
| KID-27A     | 179513  | 9935200  | 0               | -60              | 58             |
| KID-30      | 179516  | 9935158  | 0               | -60              | 58             |





**Table 3 Kea drill collar locations**

| Hole   | Easting | Northing | Hole    | Hole        | TOTAL    |
|--------|---------|----------|---------|-------------|----------|
| Number |         |          | Azimuth | Inclination | DEPTH(M) |
|        |         |          | NE      |             |          |
| KED10A | 178997  | 9935760  | 80      | -60         | 67       |
| KED14  | 179112  | 9935827  | 360     | -90         | 88       |
| KED15A | 179081  | 9935862  | 30      | -60         | 79       |
| KED17  | 179036  | 9935919  | 360     | -90         | 94       |
| KED17A | 179036  | 9935919  | 30      | -60         | 88       |
| KED-18 | 179205  | 9936073  | 110     | -60         | 73       |
| KED19  | 178920  | 9935990  | 360     | -90         | 88       |
| KED19A | 178920  | 9935990  | 30      | -60         | 85       |



**COW details**

|                |  |     |
|----------------|--|-----|
| Company:       | PT Pasifik Masao Mineral                                       |     |
| Shareholders:  | Golden Arrow Resources Ltd (BVI)                               | 85% |
|                | PT Sinarcaya Mineralindo (Indonesian Partner)                  | 15% |
| COW Signed:    | 28 April 1997 (6th Generation)                                 |     |
| Location:      | Kapas and Murung Raya Regencies, Central Kalimantan, Indonesia |     |
| Original Area: | 1,068 sq.kms. (106,848 hectares)                               |     |
| Current Area:  | 208.55 sq.kms. (20,855 hectares)                               |     |
| COW Timetable: | General Survey Period – 1 year + 1 year extension              |     |
|                | Exploration Period – 3 years + 2 years extension               |     |
|                | Feasibility Study Period – 1 year + 2 year extension           |     |
|                | Construction Period – 3 years                                  |     |
|                | Production Period – 30 years + possible 2x10 year extensions   |     |
| Current Phase: | Feasibility Period Year 3+ which expires on 27 April 2012      |     |



Tenement Description:

The Masuparia COW comprises of one exploration and mining block with an area of 208.55 km<sup>2</sup> (20,855 hectares) bounded by the following coordinates:

| Corner                       | Longitude      | Latitude           |
|------------------------------|----------------|--------------------|
| <b>Masuparia COW Block 1</b> |                |                    |
| 1                            | 113° 59' 30.0" | 0° 28' 30.0" South |
| 2                            | 114° 08' 00.0" | 0° 28' 30.0" South |
| 3                            | 114° 08' 00.0" | 0° 32' 00.0" South |
| 4                            | 114° 07' 26.0" | 0° 32' 00.0" South |
| 5                            | 114° 07' 26.0" | 0° 37' 00.0" South |
| 6                            | 114° 02' 00.0" | 0° 37' 00.0" South |
| 7                            | 114° 02' 00.0" | 0° 33' 30.0" South |
| 8                            | 113° 59' 30.0" | 0° 33' 30.0" South |

**NOTE**

**Ark will require:**

- **A Forrest Permit before commencing drilling**
- **An AMDAL (environmental Permit) to complete the feasibility study**
- **To apply for a Mining permit to commence mining**

**ENDS**

**About Ark Mines**

Ark Mines Ltd (Ark) is a publicly listed company with five highly prospective tenements in the Lachlan Fold Belt, in the central west of New South Wales. Ark's exploration efforts are focussed on gold and base metals, whilst potential for "rare earth" and iron provide Ark with a diversified suite of valued commodities.

**FURTHER INFORMATION: Roger Jackson, Managing Director, Ark Mines Limited :+61400 408 550**

**Released through Ben Jarvis, Six Degrees Investor Relations: +61413150448**

*The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves has been compiled by Robert Pyper B.Sc FAusIMM GAICD, who is a Fellow of The Australasian Institute of Mining and Metallurgy and who has more than ten years experience in the field of activity being reported on. Mr Pyper has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Pyper consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears*