



Excellent gold intercepts at shallow depths at Gundabooka

- 3RC holes now assayed
- Gundabooka Gold Deposit located within a Western splay, off the Rookery Fault Zone (hosts the Cobar mineral field)
- GRC0012m @ 2.49g/t Au from 48m to 50m with 1m @ 4.82g/t Au
- GRC002 6m @ 3.5g/t Au from 37m to 43m with 1m @ 19.8g/t Au
- 122.02g/t Au samples taken from rock samples in old workings
- Active drilling program continues at Babinda (Babinda Cu/Elaine)

Sydney, 29 August 2011: New South Wales focused polymetallic exploration company Ark Mines Limited (**ASX: AHK**) is pleased to report that recent drilling at its 100% owned Gundabooka Project has returned excellent (bonanza) gold intercepts at shallow depths. The Gundabooka project is 20 kilometres west of the Mount Dijou gold mine, where Ark recently reported encouraging drill results for gold mineralisation.

The 300m RC program at Gundabooka was designed to test the shallow mineralisation around the old Gundabooka Mine which historically mined high grade gold from underground workings.

AHK has received assay results for three drill holes from this RC drilling program, and results at shallow depths have been encouraging. The results include:

- 2m @ 2.49g/t Au from 48m to 50m with 1m @ 4.82g/t Au,
- 6m @3.5g/t Au from 37m to 43m with 1m @19.8g/t Au
- Rock chip samples from the Gundabooka old dumps assaying up to 122 g/t Au.

Gold was first discovered in the Gundabooka area in 1898, resulting in the development of a number of gold prospects mainly in the form of vertical shafts (up to 40m deep) and shallow pits (up to 2m deep). Gundabooka was worked up until 1930 with a recorded production of approximately 30kg Au.

About Gundabooka

- Gundabooka consists of two vertical shafts, a decline shaft, a 170m long drive (37m below surface) and a 30m long winze that stopped at a vertical depth of 58m.
- Samples have been collected along the drive and the results are:
 - Highly gossanous quartz vein (15-30cm thick) hosted within siltstone.

- Wallrock alteration consists of 1-2m zones of 3-5cm thick quartz veins spaced at 30cm and sub-parallel to the main quartz vein. Multiple limonitic fractures are seen perpendicular to the quartz veins.
- Assays of 0.12g/t Au to 26.0g/t Au.
- Surface mullock samples at main workings with best results of 122.02g/t Au within brecciated quartz vein material with yellow and red oxide material (containing pyromorphite and cerussite).
- There are two shafts, 15m deep, northeast of Gundabooka with a mullock sample of 25.6g/t Au; 6.5% Pb within broken up quartz vein material with cerussite and sheared sst material (wallrock).
- Petrological samples observed visible Au.

Ark's Managing Director Roger Jackson said: "These first pass results are encouraging, and come off the back of similarly positive drilling results recently obtained by Ark at the Perserverance and Dijou projects—located 20 kilometres from Gundabooka. The area is shaping up as a highly prospective region for gold exploration. We believe there is certainly scope for more significant results deeper in the ore body and in the immediate vicinity. Ark's very active drilling program is continuing. The diamond drilling program and RC drilling at Babinda is progressing well, and we expect results mid next month"



Figure 1 - Gundabooka drill hole collar locations

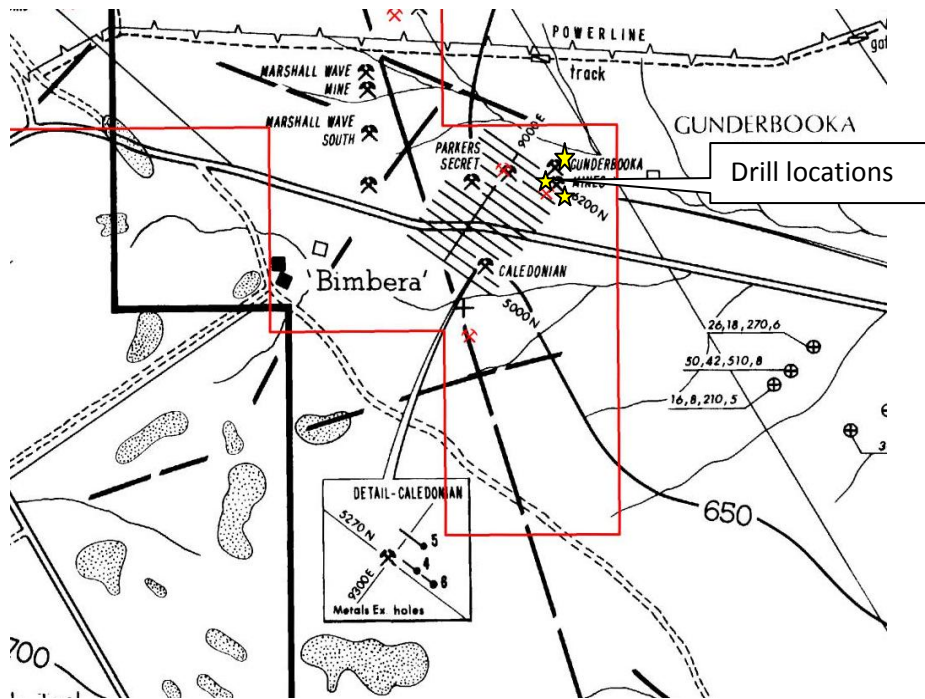


Table 1 -Gundabooka RC Drill Hole locations

Hole No	Easting MGA94z55	Northing MGA94z55	Depth to EOH m	Dip	Azimuth
GRC001	373303mE	6598569mN	100	60	235
GRC002	373422mE	6598650mN	100	60	255
GRC003	373367mE	6598507mN	100	60	235
Mine Rock Sample	402650mE	65812000N			

Table 2 -Gundabooka Drill hole Gold Results

Hole No	From	To	Au g/t
GRC001	18m	19m	0.114
	21m	22m	0.128
	23m	24m	0.242
	48m	49m	4.82
	49m	50m	0.161
GRC002	8m	9m	0.293
	26m	27m	0.163
	37m	38m	0.106
	38m	39m	0.939
	39m	40m	19.8
	40m	41m	0.262
	41m	42m	0.212
	42m	43m	0.235
GRC003	46m	47m	0.691
	30m	31m	0.608
	31m	32m	0.121



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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.

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The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves has been compiled by Robert McLennan BSc(Hons), MSc, MAIG, 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 McLennan is a director of the Company. Mr McLennan 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 McLennan consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

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